

SENATE BILL NO. 346—SENATOR SPEARMAN

MARCH 20, 2023

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions relating to motor vehicles.
(BDR 43-458)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to motor vehicles; authorizing certain acts and transactions to be conducted through an electronic branch office established by the Department of Motor Vehicles; revising requirements relating to certificates of registration and certificates of title of a vehicle; eliminating certain limitations on the persons authorized to participate in a program established by the Department for the electronic submission and storage of documents; authorizing the use of electronic signatures and stamps for recording certain information for certain transactions; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Department of Motor Vehicles to establish an electronic branch office consisting of an Internet website or software application through which documentation may be submitted and certain transactions may be conducted through electronic means. (NRS 481.055) **Section 1** of this bill sets forth certain specific acts which may be conducted through such an electronic branch office.

Existing law requires that if the Department establishes a program for the electronic submission and storage of documents, the Department allow only certain institutions and persons to apply for and participate in the program. (NRS 482.293) Existing law also authorizes the Department to waive the requirement of any required signature of a natural person on a document submitted by electronic means for those institutions and persons who comply with all of the requirements of the program. (NRS 482.294) **Section 3** of this bill eliminates the limitations on persons who may participate in the program, thereby authorizing applications and participation by all persons. **Section 4** of this bill eliminates references to the limited institutions and persons whose signatures may be waived for documents



submitted electronically, providing for such waiver for any participant who complies with all requirements of the program.

Existing law requires: (1) certain information to be contained on the face of a certificate of registration of a vehicle; and (2) certain information and forms to be contained on the face or reverse, as applicable, of a certificate of title of a vehicle. (NRS 482.245) **Section 2** of this bill eliminates the requirements that such information and forms be contained specifically on the face or reverse of the applicable documents.


Existing law requires, upon a transfer of the title to, or interest of an owner in, a vehicle, the person whose title or interest is to be transferred and the transferee to write their signatures with pen and ink, along with other information, upon the reverse side of the certificate of title. Existing law also exempts a wholesale vehicle auctioneer from this requirement if he or she stamps certain information on the certificate of title and certain other documents relating to the sale and transfer of the vehicle. (NRS 482.400) **Section 5** of this bill: (1) eliminates the requirement of the use of pen and ink and the specification to write on the reverse side of the certificate, thereby authorizing electronic signatures; and (2) authorizes a wholesale vehicle auctioneer to stamp electronically the information required by these provisions.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 481.055 is hereby amended to read as follows:

481.055 1. The Department shall keep its main office at Carson City, Nevada, in rooms provided by the Buildings and Grounds Section of the State Public Works Division of the Department of Administration.

2. The Department may maintain such branch offices throughout the State as the Director may deem necessary to the efficient operation of the Department and the various divisions thereof in space provided by the Buildings and Grounds Section. Any leases or agreements entered into pursuant to this subsection must be executed in accordance with the provisions of NRS 331.110.

3. The Department may establish an electronic branch office consisting of an Internet website or software application through which, notwithstanding any specific statute to the contrary, a person may submit forms, applications and other documentation and the Department may conduct transactions that have been designated by the Director as suitable to be conducted through electronic means  , including, without limitation:

(a) *The electronic transmission, recording and issuance of certificates of title, certificates of registration and information relating to those certificates.*

(b) *The electronic transmission and recording of applications for driver's licenses.*



(c) *The recording and electronic transmission between the Department, other states and law enforcement of information relating to citations and crashes, collisions, accidents and other casualties.*

(d) *The acceptance of electronic signatures.*

(e) *The collection and exchange of applications for licenses and other information from persons who are licensed as or seeking to be licensed as:*

(1) *Brokers;*

(2) *Dealers;*

(3) *Distributors;*

(4) *Lessors;*

(5) *Manufacturers;*

(6) *Rebuilders;*

(7) *Salespersons; and*

(8) *Vehicle transporters.*

(f) *The issuance of registration credentials pursuant to NRS 482.217.*

4. The Department shall not conduct a transaction through the electronic branch office which state or federal law specifically requires to be conducted in person or accept documentation through the electronic branch office which state or federal law specifically requires to be presented in original form.

Sec. 2. NRS 482.245 is hereby amended to read as follows:

482.245 1. The certificate of registration must contain ~~upon the face thereof~~ the date issued, the registration number assigned to the vehicle, the name and address of the registered owner, the county where the vehicle is to be based unless it is deemed to have no base, a description of the registered vehicle and such other statement of facts as may be determined by the Department.

2. The certificate of title must contain ~~upon the face thereof~~ the date issued, the name and address of the registered owner and the owner or lienholder, if any, a description of the vehicle, any entries required by NRS 482.423 to 482.428, inclusive, a reading of the vehicle's odometer as provided to the Department by the person making the sale or transfer, the word "rebuilt" if it is a rebuilt vehicle, the information required pursuant to subsection 4 of NRS 482.247 if the certificate of title is a certificate of title in beneficiary form pursuant to NRS 482.247 and such other statement of facts as may be determined by the Department. The ~~reverse side of the~~ certificate of title must *also* contain forms for notice to the Department of a transfer of the title or interest of the owner or lienholder and application for registration by the transferee. If a new certificate of title is issued for a vehicle, it must contain the same information as the replaced certificate, except to the extent that the



information has changed after the issuance of the replaced certificate. Except as otherwise required by federal law, the certificate of title of a vehicle which the Department knows to have been stolen must not contain any statement or other indication that the mileage specified in the certificate or registered on the odometer is anything other than the actual mileage traveled by the vehicle, in the absence of proof that the odometer of the vehicle has been disconnected, reset or altered.

Sec. 3. NRS 482.293 is hereby amended to read as follows:

482.293 1. The Department may establish a program for the electronic submission and storage of documents.

2. If the Department establishes a program pursuant to subsection 1:

(a) An electronic submission or storage of documents that is carried out pursuant to the program with respect to a particular transaction is not valid unless all original documents required for the transaction pursuant to:

(1) The provisions of 49 U.S.C. §§ 32701 et seq.; and

(2) The provisions of any regulations adopted pursuant thereto,

➤ have been executed and submitted to the Department.

(b) ~~{The Department shall allow only the following persons to apply for participation in the program:~~

~~—(1) Financial institutions, new vehicle dealers and used vehicle dealers, for the purpose of submitting documents by electronic means to the Department on behalf of their customers.~~

~~—(2) Owners of fleets composed of 10 or more vehicles.~~

~~—(c)}~~ The Department shall adopt regulations to carry out the program.

3. The regulations required to be adopted pursuant to paragraph ~~(c)}~~ (b) of subsection 2 must include, without limitation:

(a) The type of electronic transmission that the Department will accept for the program.

(b) The process for submission of an application by a person who desires to participate in the program and the fee, if any, that must accompany the application for participation.

(c) The criteria that will be applied by the Department in determining whether to approve an application to participate in the program.

(d) The standards for ensuring the security and integrity of the process for issuance and renewal of a certificate of registration and a certificate of title, including, without limitation, the procedure for a financial and performance audit of the program.

(e) The terms and conditions for participation in the program and any restrictions on the participation.



(f) The contents of a written agreement that must be on file with the Department before a participant may submit a document by electronic means to the Department. Such written agreement must include, without limitation:

(1) An assurance that each document submitted by electronic means contains all the information that is necessary to complete the transaction for which the document is submitted;

(2) Certification that all the information contained in each document that is submitted by electronic means is truthful and accurate;

(3) An assurance that the participant who submits a document by electronic means will maintain all information and records that are necessary to support the document; and

(4) The signature of the participant who files the written agreement with the Department.

(g) The conditions under which the Department may revoke the approval of a person to participate in the program, including, without limitation, failure to comply with this section and NRS 482.294 and the regulations adopted pursuant thereto.

(h) The method by which the Department will store documents that are submitted to it by electronic means.

(i) The required technology that is necessary to carry out the program.

(j) Any other regulations that the Department determines necessary to carry out the program.

(k) Procedures to ensure compliance with:

(1) The provisions of 49 U.S.C. §§ 32701 et seq.; and

(2) The provisions of any regulations adopted pursuant thereto,

↳ to the extent that such provisions relate to the submission and retention of documents used for the transfer of the ownership of vehicles.

4. The Department may accept gifts and grants from any source, including, without limitation, donations of materials, equipment and labor, for the establishment and maintenance of a program pursuant to this section.

Sec. 4. NRS 482.294 is hereby amended to read as follows:

482.294 1. If the Department approves an application for a person to participate in a program established pursuant to NRS 482.293, that participant may submit, by electronic means, a document that is required to be submitted pursuant to this chapter for the issuance or renewal of a certificate of registration or a certificate of title.



2. If the signature of a natural person is required pursuant to this chapter on a document that is submitted by electronic means, the Department may waive that requirement ~~if~~:

~~—(a) In the case of a participant who is a financial institution, new vehicle dealer or used vehicle dealer, if the participant who submitted the document on behalf of that person complies with all requirements of this program.~~

~~—(b) In the case of a participant who is an owner of a fleet composed of 10 or more vehicles,]~~ if the participant complies with all requirements of this program.

3. Notwithstanding any other provision of law to the contrary, a document that is submitted by electronic means pursuant to subsection 1, if accepted by the Department, shall be deemed an original document in administrative proceedings, quasi-judicial proceedings and judicial proceedings.

Sec. 5. NRS 482.400 is hereby amended to read as follows:

482.400 1. Except as otherwise provided in this subsection and subsections 3, 6 and 7, and NRS 482.247, upon a transfer of the title to, or the interest of an owner in, a vehicle registered or issued a certificate of title under the provisions of this chapter, the person or persons whose title or interest is to be transferred and the transferee shall ~~[write their signatures with pen and ink upon]~~ *sign in writing or electronically* the certificate of title issued for the vehicle, together with the residence address of the transferee, in the appropriate spaces provided upon ~~[the reverse side of]~~ the certificate. The Department may, by regulation, prescribe alternative methods by which a signature may be affixed upon a manufacturer's certificate of origin or a manufacturer's statement of origin issued for a vehicle. The alternative methods must ensure the authenticity of the signatures.

2. Within 5 days after the transfer of the title to, or the interest of an owner in, a vehicle registered or issued a certificate of title under the provisions of this chapter, the person or persons whose title or interest is to be transferred may submit electronically to the Department a notice of the transfer. The Department may provide, by request and at the discretion of the Department, information submitted to the Department pursuant to this section to a tow car operator or other interested party. The Department shall adopt regulations establishing:

(a) Procedures for electronic submissions pursuant to this section; and

(b) Standards for determining who may receive information from the Department pursuant to this section.

3. The Department shall provide a form for use by a dealer for the transfer of ownership of a vehicle. The form must be produced



1 in a manner which ensures that the form may not be easily
2 counterfeited. Upon the attachment of the form to a certificate of
3 title issued for a vehicle, the form becomes a part of that certificate
4 of title. The Department may charge a fee not to exceed the cost to
5 provide the form.

6 4. Except as otherwise provided in subsections 5, 6 and 7, the
7 transferee shall immediately apply for registration as provided in
8 NRS 482.215 and shall pay the governmental services taxes due.

9 5. If the transferee is a dealer who intends to resell the vehicle,
10 the transferee is not required to register, pay a transfer or
11 registration fee for, or pay a governmental services tax on the
12 vehicle. When the vehicle is resold, the purchaser shall apply for
13 registration as provided in NRS 482.215 and shall pay the
14 governmental services taxes due.

15 6. If the transferee consigns the vehicle to a wholesale vehicle
16 auctioneer:

17 (a) The transferee shall, within 30 days after that consignment,
18 provide the wholesale vehicle auctioneer with the certificate of title
19 for the vehicle, executed as required by subsection 1, and any other
20 documents necessary to obtain another certificate of title for the
21 vehicle.

22 (b) The wholesale vehicle auctioneer shall be deemed a
23 transferee of the vehicle for the purposes of subsection 5. The
24 wholesale vehicle auctioneer is not required to comply with
25 subsection 1 if the wholesale vehicle auctioneer:

26 (1) Does not take an ownership interest in the vehicle;

27 (2) Auctions the vehicle to a vehicle dealer or automobile
28 wrecker who is licensed as such in this or any other state; and

29 (3) Stamps his or her name, his or her identification number
30 as a vehicle dealer and the date of the auction on the certificate of
31 title and the bill of sale and any other documents of transfer for the
32 vehicle. *The wholesale vehicle auctioneer may stamp*
33 *electronically the information which is required to be stamped on*
34 *any document pursuant to this subparagraph.*

35 7. A charitable organization which intends to sell a vehicle
36 which has been donated to the organization must deliver
37 immediately to the Department or its agent the certificate of
38 registration and the license plate or plates for the vehicle, if the
39 license plate or plates have not been removed from the vehicle. The
40 charitable organization must not be required to register, pay a
41 transfer or registration fee for, or pay a governmental services tax on
42 the vehicle. When the vehicle is sold by the charitable organization,
43 the purchaser shall apply for registration as provided in NRS
44 482.215 and pay the governmental services taxes due.



1 8. As used in this section, “wholesale vehicle auctioneer”
2 means a dealer who:

3 (a) Is engaged in the business of auctioning consigned motor
4 vehicles to vehicle dealers or automobile wreckers, or both, who are
5 licensed as such in this or any other state; and

6 (b) Does not in the ordinary course of business buy, sell or own
7 the vehicles he or she auctions.

8 **Sec. 6.** 1. This section becomes effective upon passage and
9 approval.

10 2. Sections 1 to 5, inclusive, of this act become effective:

11 (a) Upon passage and approval for the purpose of adopting any
12 regulations and performing any other preparatory administrative
13 tasks that are necessary to carry out the provisions of this act; and

14 (b) On January 1, 2024, for all other purposes.

