SENATE BILL NO. 49–COMMITTEE ON GROWTH AND INFRASTRUCTURE

(ON BEHALF OF THE DEPARTMENT OF MOTOR VEHICLES)

PREFILED NOVEMBER 10, 2026

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions relating to the sales of certain vehicles. (BDR 43-169)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.
Effect on the State Highway Fund: No.

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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 vehicles; classifying persons engaged in the business of selling at retail trailers manufactured and sold at a manufacturing facility owned by such persons as new vehicle dealers for the purposes of licensure and regulation; prohibiting manufacturers of vehicles from selling new vehicles to such persons under certain circumstances; classifying persons engaged in the business of making specialty equipment modifications of vehicles for recreational purposes as used vehicle dealers for the purposes of licensure and regulation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the licensure and regulation of a manufacturer of vehicles, a new vehicle dealer and a used vehicle dealer. (NRS 482.318-482.363105) In addition, with certain exceptions, existing law generally requires a manufacturer of new vehicles that wishes to sell its vehicles in this State to establish a franchise with a new vehicle dealer for the sale of those vehicles. (NRS 482.078, 482.322, 482.350, 482.36385) A "used vehicle dealer" is a vehicle dealer who acquires used vehicles for resale and who is authorized to sell new vehicles only: (1) at wholesale under certain circumstances to new vehicle dealers or to vehicle auctioneers; or (2) at retail if the new vehicle has been substantially modified by the used vehicle dealer or a third party for use by a driver or passenger who is a person with a disability. (NRS 482.133, 482.350) **Section 3** of this bill revises the definition of a "used vehicle" to include any vehicle purchased from a

new vehicle dealer for the purpose of specialty equipment modification for recreational purposes where the vehicle identification number is not altered during the process of such modification, thereby authorizing a person performing such modifications to be licensed as a used vehicle dealer and sell such modified vehicles at retail. **Sections 1, 2 and 4** of this bill classify as a new vehicle dealer a person who is engaged solely in the business of selling at retail trailers manufactured and sold at a manufacturing facility owned by the person, thereby authorizing such a person to sell such trailers at retail without entering into a franchise agreement with another new vehicle dealer. **Section 5** of this bill prohibits a manufacturer from selling a new vehicle to such a person classified as a new vehicle dealer pursuant to **sections 1, 2 and 4** unless that person also has a franchise agreement with the manufacturer. (NRS 482.36385)

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

Section 1. NRS 482.060 is hereby amended to read as follows:

482.060 "Manufacturer" means every person engaged in the business of manufacturing motor vehicles, trailers or semitrailers. ***The term does not include a person engaged solely in the business of selling at retail trailers manufactured and sold at a manufacturing facility owned by that person.***

Sec. 2. NRS 482.078 is hereby amended to read as follows:

482.078 "New vehicle dealer" means any:

1. Vehicle dealer licensed under the provisions of this chapter as a new vehicle dealer who has a franchise from a manufacturer of vehicles to sell new vehicles and who acquires new or new and used vehicles for resale; ~~[or]~~

2. Manufacturer described in NRS 482.36349 that is licensed under the provisions of this chapter as a new vehicle dealer~~[.]~~ ***; or***

3. A person engaged solely in the business of selling at retail trailers manufactured and sold at a manufacturing facility owned by that person.

Sec. 3. NRS 482.132 is hereby amended to read as follows:

482.132 Except as otherwise provided in NRS 482.366605, "used vehicle" means a vehicle that:

1. Has been registered with the Department or with the appropriate agency of authority of any other state, the District of Columbia, any territory or possession of the United States or foreign state, province or country and, if equipped with an odometer, registers more than 2,500 miles on the odometer; ~~[or]~~

2. Regardless of mileage, is at least 1 model year old, as determined by the vehicle manufacturer, and has been registered with the Department or with the appropriate agency of authority of any other state, the District of Columbia, any territory or possession of the United States or foreign state, province or country for 30 days

or more, if no exemptions for registration exist under the laws of this State or the laws of the jurisdiction in which the vehicle was registered ~~[.]~~ ***; or***

3. Was purchased from a new vehicle dealer for the purpose of specialty equipment modification for recreational purposes, the vehicle identification number of which is not altered during the process of making any such modification.

Sec. 4. NRS 482.350 is hereby amended to read as follows:

482.350 1. Except for a manufacturer described in subsection 2 of NRS 482.078 ~~[.]~~ ***or a person described in subsection 3 of NRS 482.078:***

(a) A new vehicle dealer's license shall not be furnished to any dealer in new vehicles, trailers or semitrailers unless the dealer first furnishes the Department an instrument executed by or on behalf of the manufacturer certifying that the dealer is an authorized franchised dealer for the make or makes of vehicle concerned.

(b) New vehicle dealers are authorized to sell at retail only those new vehicles for which they are certified as franchised dealers by the manufacturer.

2. In addition to selling used vehicles, a used vehicle dealer may:

(a) Sell at wholesale a new vehicle taken in trade or acquired as a result of a sales contract to a new vehicle dealer who is licensed and authorized to sell that make of vehicle;

(b) Sell at wholesale a new vehicle through a wholesale vehicle auction provided that the wholesale vehicle auctioneer:

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

(2) Auctions the vehicle to a vehicle dealer who is licensed and authorized to sell that make of vehicle or to an automobile wrecker who is licensed in this State or any other state;

(c) Sell a new vehicle on consignment from a person not licensed as a vehicle dealer, rebuilder or a long-term or short-term lessor; or

(d) Sell a new vehicle if it has been substantially modified by the used vehicle dealer or a third party for use by a driver or passenger who is a person with a disability.

3. As used in this section:

(a) "Person with a disability" has the meaning ascribed to it in NRS 433.5473.

(b) "Substantially modified" means equipped or adapted for the purpose of aiding or allowing a person with a disability to operate, travel in, enter, exit or load a vehicle. The term includes, without limitation:

(1) Mechanical or structural changes to a vehicle that allow a person with a disability to safely drive or ride as a passenger;

(2) A device or mechanism that is used for loading or unloading a wheelchair or scooter and is mounted on the roof, in the passenger area, in the trunk or other storage area of a vehicle; and

(3) Mechanical or electrical adaptive control devices that are installed in a vehicle to enable a person with mobility restrictions to control, without limitation, the accelerator, foot brake, turn signals, dimmer switch, steering wheel or parking brake of a vehicle.

Sec. 5. NRS 482.36385 is hereby amended to read as follows:

482.36385 It is an unfair act or practice for any manufacturer, distributor or factory branch, directly or through any representative, to:

1. Compete with a dealer. A manufacturer or distributor shall not be deemed to be competing when operating a previously existing dealership temporarily for a reasonable period, or in a bona fide retail operation which is for sale to any qualified person at a fair and reasonable price, or in a bona fide relationship in which a person has made a significant investment subject to loss in the dealership and can reasonably expect to acquire full ownership of the dealership on reasonable terms and conditions.

2. Discriminate unfairly among its dealers, or fail without good cause to comply with franchise agreements, with respect to warranty reimbursement or authority granted to its dealers to make warranty adjustments with retail customers.

3. Fail to compensate a dealer fairly for the work and services which the dealer is required to perform in connection with the delivery and preparation obligations under any franchise, or fail to compensate a dealer fairly for labor, parts and other expenses incurred by the dealer under the manufacturer's warranty agreements or any recall service or repairs. The manufacturer shall set forth in writing the respective obligations of a dealer and the manufacturer in the preparation of a vehicle for delivery, and as between them a dealer's liability for a defective product is limited to the obligation so set forth. Fair compensation includes diagnosis and reasonable administrative and clerical costs. The dealer's compensation for parts and labor to satisfy a warranty or a recall service or repair must not be less than the amount of money charged to its various retail customers for parts and labor that are not covered by a warranty. If parts are supplied by the manufacturer, including exchanged parts and assembled components, the dealer is entitled with respect to each part to an amount not less than the dealer's normal retail markup for the part. This subsection does not apply to compensation for any part, system, fixture, appliance, furnishing, accessory or feature of a motor home or recreational vehicle that is designed, used and maintained primarily for nonvehicular, residential purposes.

4. Fail to:

(a) Pay all claims made by dealers for compensation for delivery and preparation work, transportation claims, special campaigns and work to satisfy warranties and recall service or repairs within 30 days after approval, or fail to approve or disapprove such claims within 30 days after receipt;

(b) Disapprove any claim without notice to the dealer in writing of the grounds for disapproval; or

(c) Accept an amended claim for labor and parts if the amended claim is submitted not later than 60 days after the date on which the manufacturer or distributor notifies the dealer that the claim has been disapproved and the disapproval was based on the dealer's failure to comply with a specific requirement for processing the claim, including, without limitation, a clerical error or other administrative technicality that does not relate to the legitimacy of the claim.

➥ Failure to approve or disapprove or to pay within the specified time limits in an individual case does not constitute a violation of this section if the failure is because of reasons beyond the control of the manufacturer, distributor or factory branch.

5. Sell a new vehicle to a person who is ~~[not]~~ ***:***

(a) Not licensed as a new vehicle dealer under the provisions of this chapter ~~[.]~~ ***; or***

(b) Licensed as a new vehicle dealer and engaged in the business of selling at retail trailers manufactured and sold at a manufacturing facility owned by that person and who is licensed as a new vehicle dealer, unless that person is also an authorized franchised dealer for the make or makes of vehicle concerned.

6. Use false, deceptive or misleading advertising or engage in deceptive acts in connection with the manufacturer's or distributor's business.

7. Perform an audit to confirm a claim for compensation pursuant to NRS 482.363574, warranty repair, sales incentive or rebate more than 9 months after the date on which the claim was made. An audit of a dealer's records pursuant to this subsection may be conducted by the manufacturer or distributor on a reasonable basis, and a dealer's claim for warranty or sales incentive compensation or compensation pursuant to NRS 482.363574 must not be denied except for good cause, including, without limitation, performance of nonwarranty repairs, lack of material documentation, fraud or misrepresentation. A dealer's failure to comply with the specific requirements of the manufacturer or distributor for processing the claim does not constitute grounds for the denial of the claim or the reduction of the amount of compensation to the dealer if reasonable documentation or other

evidence has been presented to substantiate the claim. The manufacturer or distributor shall not deny a claim or reduce the amount of compensation to the dealer for warranty repairs to resolve a condition discovered by the dealer during the course of a separate repair.

8. Prohibit or prevent a dealer from appealing the results of an audit to confirm a warranty repair, sales incentive, claim for compensation made pursuant to NRS 482.363574 or rebate, or to require that such an appeal be conducted at a location other than the dealer's place of business.

Sec. 6. This act becomes effective on July 1, 2027.

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