#### ASSEMBLY BILL NO. 96–ASSEMBLYWOMAN NEAL

## FEBRUARY 13, 2013

## Referred to Committee on Transportation

SUMMARY—Revises provisions governing the registration of certain motor vehicles and trailers. (BDR 43-494)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

AN ACT relating to vehicles; authorizing a person registering a passenger car or motorcycle to pay the original or renewal registration in installments under certain circumstances; revising the circumstances under which a person who owns a dormant vehicle may retain the license plates of the dormant vehicle for potential reinstatement; revising provisions relating to determining the valuation of certain trailers for the purpose of imposing the governmental services tax; and providing other matters properly relating thereto.

#### **Legislative Counsel's Digest:**

Under existing law, a person registering a passenger car or a motorcycle with the Department of Motor Vehicles must pay the applicable registration fees and governmental services tax at the time of registration. (NRS 371.110, 482.480) Section 3 of this bill allows a person, upon a showing of proof satisfactory to the Department of financial hardship, to pay the fees and tax in installments.

Under existing law, a person who owns a dormant vehicle who desires to cancel the policy of liability insurance covering the vehicle or to allow the policy to expire may, if he or she presents the license plates for the dormant vehicle to the Department for the removal and destruction of the registration sticker on those plates, retain the license plates for potential reinstatement for not more than 1 year. (NRS 485.320) **Section 5** of this bill allows the person, in lieu of presenting the plates to the Department, to provide to the Department a signed and notarized affidavit acknowledging that the vehicle is a dormant vehicle. The person may provide the affidavit to the Department by mail, personal delivery or electronic submission on a form provided by the Department.

Existing law requires the Department of Motor Vehicles to use the

manufacturer's suggested retail price in determining the valuation of a vehicle for the purpose of imposing the governmental services tax. (NRS 371.050) Section 6



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of this bill requires the Department, in lieu of using the manufacturer's suggested retail price in determining the valuation of a trailer having an unladen weight of less than 4,000 pounds, to use the purchase price, if any, paid by the most recent purchaser of the trailer, as evidenced by such document or documents as the Department may require.

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

Section 1. NRS 482.206 is hereby amended to read as follows: 482.206 1. Except as otherwise provided in this section 4, and subsection 3 of NRS 485.320, every motor vehicle, except for a motor vehicle that is registered pursuant to the provisions of NRS 706.801 to 706.861, inclusive, must be registered for a period of 12 consecutive months beginning the day after the first registration by the owner in this State.

- 2. [Every] Except as otherwise provided in subsection 3 of NRS 485.320, every vehicle registered by an agent of the Department or a registered dealer must be registered for 12 consecutive months beginning the first day of the month after the first registration by the owner in this State.
- 3. A vehicle which must be registered through the Motor Carrier Division of the Department, or a motor vehicle which has a declared gross weight in excess of 26,000 pounds, must be registered for a period of 12 consecutive months beginning on the date established by the Department by regulation.
- 4. Upon the application of the owner of a fleet of vehicles, the Director may permit the owner to register the fleet on the basis of a calendar year.
- 5. When the registration of any vehicle is transferred pursuant to NRS 482.399, the expiration date of each regular license plate, special license plate or substitute decal must, at the time of the transfer of registration, be advanced for a period of 12 consecutive months beginning:
- (a) The first day of the month after the transfer, if the vehicle is transferred by an agent of the Department; or
  - (b) The day after the transfer in all other cases,
- → and a credit on the portion of the fee for registration and the governmental services tax attributable to the remainder of the current period of registration must be allowed pursuant to the applicable provisions of NRS 482.399.
  - Sec. 2. NRS 482.451 is hereby amended to read as follows:
- 482.451 1. The Department shall, upon receiving an order from a court to suspend the registration of each motor vehicle that is registered to or owned by a person pursuant to NRS 484C.520,





suspend the registration of each such motor vehicle for 5 days and require the return to the Department of the license plates of each such motor vehicle.

- 2. If the registration of a motor vehicle of a person is suspended pursuant to this section, the person shall immediately return the certificate of registration and the license plates to the Department.
- 3. The period of suspension of the registration of a motor vehicle that is suspended pursuant to this section begins on the effective date of the suspension as set forth in the notice thereof.
- 4. The Department shall reinstate the registration of a motor vehicle that was suspended pursuant to this section and reissue the license plates of the motor vehicle only upon the payment of the fee for reinstatement of registration prescribed in subsection [10] 11 of NRS 482.480.
- 5. The suspension of the registration of a motor vehicle pursuant to this section does not prevent the owner of the motor vehicle from selling or otherwise transferring an interest in the motor vehicle.
  - **Sec. 3.** NRS 482.480 is hereby amended to read as follows:
- 482.480 There must be paid to the Department for the registration or the transfer or reinstatement of the registration of motor vehicles, trailers and semitrailers, fees according to the following schedule:
- 1. Except as otherwise provided in this section, for each stock passenger car and each reconstructed or specially constructed passenger car registered to a person, regardless of weight or number of passenger capacity, a fee for registration of \$33.
  - 2. Except as otherwise provided in subsection 3:
- (a) For each of the fifth and sixth such cars registered to a person, a fee for registration of \$16.50.
- (b) For each of the seventh and eighth such cars registered to a person, a fee for registration of \$12.
- (c) For each of the ninth or more such cars registered to a person, a fee for registration of \$8.
  - 3. The fees specified in subsection 2 do not apply:
- (a) Unless the person registering the cars presents to the Department at the time of registration the registrations of all the cars registered to the person.
  - (b) To cars that are part of a fleet.
- 4. For every motorcycle, a fee for registration of \$33 and for each motorcycle other than a trimobile, an additional fee of \$6 for motorcycle safety. The additional fee must be deposited in the State Highway Fund for credit to the Account for the Program for the Education of Motorcycle Riders.





- 5. A person registering a passenger car pursuant to subsection 1 or a motorcycle pursuant to subsection 4 may pay in installments the original or renewal registration fee and the governmental services tax imposed by the provisions of chapter 371 of NRS for the passenger car or motorcycle. The person may qualify to pay in installments by providing proof satisfactory to the Department that the person has incurred a financial hardship. The Department shall adopt regulations to carry out the provisions of this subsection. The regulations must include, without limitation, provisions for determining the amount and duration of any installments paid pursuant to this section and the action required to be taken if a person fails to pay any of those installments.
- **6.** For each transfer of registration, a fee of \$6 in addition to any other fees.
- [6.] 7. Except as otherwise provided in subsection 7 of NRS 485.317, to reinstate the registration of a motor vehicle that is suspended pursuant to that section:
- (a) A fee as specified in NRS 482.557 for a registered owner who failed to have insurance on the date specified by the Department, which fee is in addition to any fine or penalty imposed pursuant to NRS 482.557; or
- (b) A fee of \$50 for a registered owner of a dormant vehicle who cancelled the insurance coverage for that vehicle or allowed the insurance coverage for that vehicle to expire without first cancelling the registration for the vehicle in accordance with subsection 3 of NRS 485.320.
- → both of which must be deposited in the Account for Verification of Insurance which is hereby created in the State Highway Fund. The money in the Account must be used to carry out the provisions of NRS 485.313 to 485.318, inclusive.
  - [7.] 8. For every travel trailer, a fee for registration of \$27.
- **[8.] 9.** For every permit for the operation of a golf cart, an annual fee of \$10.
  - [9.] 10. For every low-speed vehicle, as that term is defined in NRS 484B.637, a fee for registration of \$33.
  - [10.] 11. To reinstate the registration of a motor vehicle that is suspended pursuant to NRS 482.451, a fee of \$33.
    - **Sec. 4.** NRS 485.317 is hereby amended to read as follows:
  - 485.317 1. The Department shall verify that each motor vehicle which is registered in this State is covered by a policy of liability insurance as required by NRS 485.185.
  - 2. Except as otherwise provided in this subsection, the Department may use any information to verify whether a motor vehicle is covered by a policy of liability insurance as required by





NRS 485.185. The Department may not use the name of the owner of a motor vehicle as the primary means of verifying that a motor vehicle is covered by a policy of liability insurance.

- 3. If the Department is unable to verify that a motor vehicle is covered by a policy of liability insurance as required by NRS 485.185, the Department shall send a request for information by first-class mail to the registered owner of the motor vehicle. The owner shall submit all the information which is requested to the Department within 15 days after the date on which the request for information was mailed by the Department. If the Department does not receive the requested information within 15 days after it mailed the request to the owner, the Department shall send to the owner a notice of suspension of registration by certified mail. The notice must inform the owner that unless the Department is able to verify that the motor vehicle is covered by a policy of liability insurance as required by NRS 485.185 within 10 days after the date on which the notice was sent by the Department, the owner's registration will be suspended pursuant to subsection 4.
- 4. The Department shall suspend the registration and require the return to the Department of the license plates of any vehicle for which the Department cannot verify the coverage of liability insurance required by NRS 485.185.
- 5. Except as otherwise provided in subsection 6, the Department shall reinstate the registration of the vehicle and reissue the license plates only upon verification of current insurance and compliance with the requirements for reinstatement of registration prescribed in paragraph (a) of subsection [6] 7 of NRS 482.480.
- 6. If a registered owner proves to the satisfaction of the Department that the vehicle was a dormant vehicle during the period in which the information provided pursuant to NRS 485.314 indicated that there was no insurance for the vehicle, the Department shall reinstate the registration and, if applicable, reissue the license plates. If such an owner of a dormant vehicle failed to cancel the registration for the vehicle in accordance with subsection 3 of NRS 485.320, the Department shall not reinstate the registration or reissue the license plates unless the owner pays the fee set forth in paragraph (b) of subsection [6] 7 of NRS 482.480.
- 7. If the Department suspends the registration of a motor vehicle pursuant to subsection 4 because the registered owner of the motor vehicle failed to have insurance on the date specified in the form for verification, and if the registered owner, in accordance with regulations adopted by the Department, proves to the satisfaction of the Department that the owner was unable to comply with the provisions of NRS 485.185 on that date because of extenuating circumstances, the Department may:





- (a) Reinstate the registration of the motor vehicle and reissue the license plates upon payment by the registered owner of a fee of \$50, which must be deposited in the Account for Verification of Insurance created by subsection [6] 7 of NRS 482.480; or
- (b) Rescind the suspension of the registration without the payment of a fee.
- The Department shall adopt regulations to carry out the provisions of this subsection.
  - **Sec. 5.** NRS 485.320 is hereby amended to read as follows:
- 485.320 1. If the license of any person is suspended as provided in this chapter, the person shall immediately return the license to the Department. If the person's registration is suspended, the person shall immediately return the certificate of registration and the license plates to the Department.
- 2. If any person fails to return any item as required by subsection 1, the Department shall forthwith direct any peace officer to secure possession thereof and to return the item to the Department.
- 3. A person who owns a dormant vehicle who desires to cancel the policy of liability insurance covering that vehicle or to allow such a policy to expire:
- (a) Shall, on or before the date on which the policy is cancelled or expires, cancel the registration of the vehicle to which that policy pertains.
- (b) May, if the person [presents the license plates for that vehicle to the authorized personnel of] provides the Department [for the removal and destruction of the sticker or other device evidencing the current registration of] with a signed and notarized affidavit acknowledging that the vehicle [,] is a dormant vehicle, retain for potential reinstatement the license plates for a period not to exceed 1 year. The person may provide the affidavit to the Department by mail, personal delivery or electronic submission on a form provided by the Department.
- 4. The Department shall adopt regulations which define "extended period," "mechanical circumstances" and "seasonal circumstances" for the purposes of NRS 485.0335.
  - **Sec. 6.** NRS 371.050 is hereby amended to read as follows:
  - 371.050 1. Except as otherwise provided in subsections 3, [and] 4 [,] and 5, valuation of vehicles must be determined by the Department upon the basis of 35 percent of the manufacturer's suggested retail price in Nevada excluding options and extras, as of the time the particular make and model for that year is first offered for sale in Nevada.
- 2. If the Department is unable to determine the manufacturer's suggested retail price in Nevada with respect to any vehicle because





the vehicle is specially constructed, or for any other reason, the Department shall determine the valuation upon the basis of 35 percent of the original retail price to the original purchaser of the vehicle as evidenced by such document or documents as the Department may require.

3. For each:

- (a) Bus, truck, truck-tractor or combination of vehicles having a declared gross weight of 10,000 pounds or more; and
- (b) Trailer or semitrailer having an unladen weight of 4,000 pounds or more,
- → the Department may use 85 percent of the original purchaser's cost price in lieu of the manufacturer's suggested retail price.
- 4. If the Department is unable to determine the original manufacturer's suggested retail price in Nevada, or the original retail price to the purchaser, the Department may determine the original value of the vehicle on the basis of 50 cents per pound.
- 5. The valuation of a trailer having an unladen weight of less than 4,000 pounds must be determined by the Department upon the basis of 35 percent of the purchase price, if any, paid by the most recent purchaser of the trailer as evidenced by such document or documents as the Department may require.
- 6. For motor carriers which register pursuant to the provisions of the Interstate Highway User Fee Apportionment Act, the Department may determine the original purchaser's cost price of the vehicle on the basis of its declared gross weight in a manner which the Department finds appropriate and equitable.
  - **Sec. 7.** NRS 371.110 is hereby amended to read as follows:
  - 371.110 Except as otherwise provided in NRS **482.480** and 482.482, the governmental services tax is due on the first day of the registration year for the vehicle concerned and must be paid at the same time as, and in conjunction with, the registration or renewal of registration of the vehicle.
    - **Sec. 8.** NRS 371.140 is hereby amended to read as follows:
  - 371.140 1. Except as otherwise provided in subsection 3 and NRS 482.209, 482.480 and 482.482, if the governmental services tax for a vehicle for the next period of registration is not paid before the expiration of the current period of registration for that vehicle, a penalty equal to 10 percent of the tax due, but not less than \$6, plus the amount of the delinquent tax, must be added to the governmental services tax due for the next period of registration, unless the vehicle has not been operated on the highways since the expiration of the prior registration. The Department may retain any penalty so collected.





- 2. Evidence of the nonoperation of a vehicle must be made by an affidavit executed by a person having knowledge of the fact. The
- affidavit must accompany the application for renewal of registration.

  3. The provisions of this section do not apply to vehicles registered pursuant to NRS 706.841.

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- Sec. 9. This act becomes effective:

  1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

  2. On July 1, 2013, for all other purposes.





