

SENATE BILL NO. 234—SENATOR HAMMOND

MARCH 6, 2017

Referred to Committee on Transportation

SUMMARY—Authorizes the seizure and storage of certain unmanned aerial vehicles. (BDR 44-75)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
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 unmanned aerial vehicles; authorizing the seizure and storage of certain unmanned aerial vehicles; authorizing the examination of recordings or data contained in an unmanned aerial vehicle under certain conditions; providing for the licensing and regulation of unmanned aerial vehicle storage facilities; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law authorizes a peace officer to seize and impound a car or other
2 vehicle without a warrant in certain circumstances. (NRS 482.540, 484B.320,
3 484E.060) Existing law also provides for the licensing and regulation of certain
4 businesses which receive such vehicles. (Chapter 487 of NRS) **Section 7** of this bill
5 authorizes a peace officer, without a warrant, to seize an unmanned aerial vehicle
6 which is crashed, grounded, disabled or abandoned or when such an officer has
7 probable cause to believe that the aerial vehicle was used in the commission of a
8 crime. **Section 7** also authorizes a peace officer to seize and impound an unmanned
9 aerial vehicle in a licensed storage facility for such aerial vehicles. If the owner of a
10 crashed, grounded, disabled or abandoned unmanned aerial vehicle is unknown,
11 **section 7** authorizes a peace officer, without a warrant, to conduct a reasonable
12 examination of any recordings or data contained in the aerial vehicle to determine
13 the owner. Finally, **section 7** requires a peace officer who has probable cause to
14 believe that an unmanned aerial vehicle was used in the commission of a crime and
15 who reasonably believes the aerial vehicle contains evidence, to obtain a warrant
16 before examining any recordings or data stored on the aerial vehicle.

17 **Section 8** of this bill authorizes an unmanned aerial vehicle storage facility or
18 law enforcement agency to release a stored unmanned aerial vehicle to its owner



19 under certain conditions. **Section 8** also authorizes an unmanned aerial vehicle
20 storage facility or law enforcement agency to charge a storage fee in certain
21 circumstances and authorizes a storage facility to sell unclaimed aerial vehicles in
22 certain circumstances.

23 **Section 9** of this bill requires an unmanned aerial vehicle storage facility to be
24 licensed by the Department of Motor Vehicles. **Sections 10-16** of this bill provide
25 for the licensure of those facilities.

26 **Section 17** of this bill requires an unmanned aerial vehicle storage facility to
27 keep certain records. **Section 18** of this bill authorizes the Department of Motor
28 Vehicles to adopt regulations to carry out the provisions of this bill, including,
29 without limitation, the storage fee that may be charged by an unmanned aerial
30 vehicle storage facility or law enforcement agency.

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

1 **Section 1.** Chapter 493 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 18, inclusive, of this
3 act.

4 **Sec. 2.** *As used in sections 2 to 18, inclusive, of this act,*
5 *unless the context otherwise requires, the words and terms defined*
6 *in sections 3, 4 and 5 of this act have the meanings ascribed to*
7 *them in those sections.*

8 **Sec. 3.** *“Department” means the Department of Motor*
9 *Vehicles.*

10 **Sec. 4.** *“Unmanned aerial vehicle” means a powered*
11 *aircraft, including, without limitation, a fixed-wing or rotary-wing*
12 *aircraft of any size, which does not have a human operator aboard*
13 *and which is controlled remotely or autonomously.*

14 **Sec. 5.** *“Unmanned aerial vehicle storage facility” means an*
15 *indoor storage facility licensed under sections 2 to 18, inclusive, of*
16 *this act for the impoundment and storage of unmanned aerial*
17 *vehicles seized by a law enforcement agency.*

18 **Sec. 6.** *The provisions of sections 2 to 18, inclusive, of this*
19 *act do not apply to any unmanned aerial vehicle owned or*
20 *operated by:*

- 21 1. *A state or local governmental entity; or*
- 22 2. *The Armed Forces of the United States or a reserve*
23 *component thereof, the National Guard or a department or agency*
24 *of the Federal Government.*

25 **Sec. 7.** 1. *A peace officer who finds an unmanned aerial*
26 *vehicle which has crashed or is grounded, disabled or abandoned*
27 *and for which the owner is not readily identifiable, may, without a*
28 *warrant:*

29 (a) *Seize and take possession of the aerial vehicle in*
30 *accordance with the provisions of subsection 2;*



1 ***(b) Conduct a reasonable examination of any recordings or***
2 ***data stored on the aerial vehicle which may be necessary to***
3 ***ascertain the owner of the aerial vehicle; and***

4 ***(c) Store the aerial vehicle at an unmanned aerial vehicle***
5 ***storage facility or an area used by a law enforcement agency to***
6 ***store property or evidence.***

7 ***2. An unmanned aerial vehicle seized pursuant to subsection***
8 ***1 must be treated as lost property pursuant to the policies of the***
9 ***receiving law enforcement agency and in accordance with the***
10 ***provisions of NRS 600.100.***

11 ***3. A peace officer who has probable cause to believe that an***
12 ***unmanned aerial vehicle was used in the commission of a criminal***
13 ***offense and who reasonably believes that the unmanned aerial***
14 ***vehicle is, or contains, evidence of a criminal offense, may seize***
15 ***and take possession of the aerial vehicle without a warrant, but***
16 ***may not examine any recordings or data stored on the aerial***
17 ***vehicle without a warrant.***

18 ***4. An unmanned aerial vehicle seized pursuant to subsection***
19 ***3 must be stored at an unmanned aerial vehicle storage facility or***
20 ***an area used by a law enforcement agency to store property or***
21 ***evidence.***

22 ***5. A peace officer may remove any contraband or cargo***
23 ***discovered onboard an unmanned aerial vehicle before storing the***
24 ***aerial vehicle pursuant to this section.***

25 ***Sec. 8. 1. An unmanned aerial vehicle storage facility or***
26 ***law enforcement agency may release an unmanned aerial vehicle***
27 ***which was seized pursuant to subsection 1 of section 7 of this act***
28 ***to the owner of the aerial vehicle if the owner:***

29 ***(a) Presents proof of ownership or is otherwise able to provide***
30 ***information or other satisfactory evidence that he or she is the***
31 ***rightful owner of the unmanned aerial vehicle; and***

32 ***(b) Pays any storage fee required by the Department pursuant***
33 ***to section 18 of this act.***

34 ***2. An unmanned aerial vehicle storage facility or law***
35 ***enforcement agency may release an unmanned aerial vehicle***
36 ***seized pursuant to subsection 3 of section 7 of this act to the owner***
37 ***of the aerial vehicle, if:***

38 ***(a) There are no criminal charges relating to the seizure of the***
39 ***aerial vehicle which are still pending;***

40 ***(b) The aerial vehicle is not subject to forfeiture pursuant to***
41 ***NRS 179.1156 to 179.121, inclusive, 179.1211 to 179.1235,***
42 ***inclusive, or 207.350 to 207.520, inclusive, or any other provision***
43 ***of law;***



1 (c) *The owner submits proof of ownership or is otherwise able*
2 *to provide information or other satisfactory evidence that he or she*
3 *is the rightful owner of the unmanned aerial vehicle; and*

4 (d) *If applicable, the owner pays any storage fee required by*
5 *the Department pursuant to section 18 of this act.*

6 3. *If an unmanned aerial vehicle was seized pursuant to*
7 *subsection 3 of section 7 of this act, the Department may only*
8 *impose a storage fee pursuant to section 18 of this act if a criminal*
9 *conviction relating to the seizure of the aerial vehicle was obtained*
10 *against the owner of the aerial vehicle.*

11 4. *If an unmanned aerial vehicle is not claimed by the owner*
12 *of the aerial vehicle pursuant to this section within 180 days after*
13 *delivery to an unmanned aerial vehicle storage facility, the facility*
14 *may sell the unmanned aerial vehicle or disassemble the aerial*
15 *vehicle and sell its parts after obtaining a written release from the*
16 *law enforcement agency which seized the unmanned aerial*
17 *vehicle.*

18 5. *The proceeds of the sale of an unmanned aerial vehicle or*
19 *its parts pursuant to this section shall be deemed to satisfy any*
20 *outstanding storage fees for that unmanned aerial vehicle. If the*
21 *amount of the proceeds exceeds any outstanding storage fees, the*
22 *remaining amount may be used in the following order:*

23 (a) *To cover the reasonable cost of the sale incurred by the*
24 *storage facility;*

25 (b) *To pay any liens against the unmanned aerial vehicle; and*

26 (c) *To reimburse the owner of the unmanned aerial vehicle, if*
27 *known, or, if unknown, the unmanned aerial vehicle storage*
28 *facility may retain the balance.*

29 6. *Before selling an unmanned aerial vehicle or its parts*
30 *pursuant to this section, an unmanned aerial vehicle storage*
31 *facility must, to the extent possible, delete or otherwise remove any*
32 *recordings or data stored on the aerial vehicle.*

33 **Sec. 9. 1.** *A person shall not operate an unmanned aerial*
34 *vehicle storage facility without a license issued by the Department.*

35 2. *Operating an unmanned aerial vehicle storage facility*
36 *without a license is a misdemeanor.*

37 **Sec. 10. 1.** *An application for a license to operate an*
38 *unmanned aerial vehicle storage facility must be made on a form*
39 *provided by the Department, include the social security number of*
40 *the applicant and be accompanied by such proof as the*
41 *Department may require that the applicant owns or leases and will*
42 *conduct business from a permanent location with at least 5,000*
43 *square feet of land which is surrounded by a screened fence that is*
44 *at least 6 feet high.*



1 2. *The fee for the issuance or renewal of a license to operate*
2 *an unmanned aerial vehicle storage facility is \$100.*

3 3. *All fees collected by the Department pursuant to this*
4 *section must be deposited with the State Treasurer for credit to the*
5 *Motor Vehicle Fund.*

6 **Sec. 11.** *1. An applicant for the issuance or renewal of a*
7 *license to operate an unmanned aerial vehicle storage facility*
8 *shall submit to the Department the statement prescribed by the*
9 *Division of Welfare and Supportive Services of the Department of*
10 *Health and Human Services pursuant to NRS 425.520. The*
11 *statement must be completed and signed by the applicant.*

12 2. *The Department shall include the statement required*
13 *pursuant to subsection 1 in:*

14 (a) *The application or any other forms that must be submitted*
15 *for the issuance or renewal of the license; or*

16 (b) *A separate form prescribed by the Department.*

17 3. *A license may not be issued or renewed by the Department*
18 *pursuant to sections 2 to 18, inclusive, of this act if the applicant:*

19 (a) *Fails to submit the statement required pursuant to*
20 *subsection 1; or*

21 (b) *Indicates on the statement submitted pursuant to*
22 *subsection 1 that the applicant is subject to a court order for the*
23 *support of a child and is not in compliance with the order or a*
24 *plan approved by the district attorney or other public agency*
25 *enforcing the order for the repayment of the amount owed*
26 *pursuant to the order.*

27 4. *If an applicant indicates on the statement submitted*
28 *pursuant to subsection 1 that the applicant is subject to a court*
29 *order for the support of a child and is not in compliance with the*
30 *order or a plan approved by the district attorney or other public*
31 *agency enforcing the order for the repayment of the amount owed*
32 *pursuant to the order, the Department shall advise the applicant to*
33 *contact the district attorney or other public agency enforcing the*
34 *order to determine the actions that the applicant may take to*
35 *satisfy the arrearage.*

36 **Sec. 12.** *1. The Department may approve or reject an*
37 *application for a license to operate an unmanned aerial vehicle*
38 *storage facility. If the Department receives the statement required*
39 *pursuant to section 11 of this act and approves the application, the*
40 *Department shall issue to the applicant a license containing*
41 *the name and address of the applicant, the name under which the*
42 *business is to be conducted, the business address and a*
43 *distinguishing number assigned to the applicant.*



1 2. *A licensee shall post the license in a conspicuous place*
2 *clearly visible to the general public at the business address set*
3 *forth on the license.*

4 3. *A license expires on April 30 of each year.*

5 4. *A licensee may renew the license by submitting to the*
6 *Department:*

7 (a) *A completed application for renewal upon a form supplied*
8 *by the Department;*

9 (b) *The statement required pursuant to section 11 of this act;*
10 *and*

11 (c) *The fee for renewal of a license provided in section 10 of*
12 *this act.*

13 **Sec. 13.** 1. *Except as otherwise provided in subsection 4,*
14 *the Department shall not issue a license to operate an unmanned*
15 *aerial vehicle storage facility until the applicant has filed with the*
16 *Department a good and sufficient bond in the amount of \$25,000,*
17 *with a corporate surety thereon licensed to do business in the State*
18 *of Nevada, approved as to form by the Attorney General, and*
19 *conditioned that the applicant conducts business as an unmanned*
20 *aerial vehicle storage facility without fraud or fraudulent*
21 *representation, and without violation of the provisions of sections*
22 *2 to 18, inclusive, of this act. The Department may, by agreement*
23 *with any unmanned aerial vehicle storage facility which has been*
24 *licensed for 5 years or more by the Department, reduce the*
25 *amount of the bond, if the business of that facility has been*
26 *conducted satisfactorily for the preceding 5 years, but no bond*
27 *may be in an amount less than \$5,000.*

28 2. *The bond may be continuous in form and the total*
29 *aggregate liability on the bond must be limited to the payment of*
30 *the total amount of the bond.*

31 3. *The bond must provide that any person injured by the*
32 *action of the unmanned aerial vehicle storage facility in violation*
33 *of any of the provisions of sections 2 to 18, inclusive, of this act*
34 *may apply to the Director of the Department for compensation*
35 *from the bond. The Director, for good cause shown and after*
36 *notice and opportunity for hearing, may determine the amount of*
37 *compensation and the person to whom it is to be paid. The surety*
38 *shall then make the payment.*

39 4. *In lieu of a bond an applicant may deposit with the*
40 *Department, under the terms prescribed by the Department:*

41 (a) *A like amount of money or bonds of the United States or of*
42 *the State of Nevada of an actual market value of not less than the*
43 *amount fixed by the Department; or*

44 (b) *A savings certificate of a bank, credit union or savings and*
45 *loan association situated in this State, which must indicate an*



1 *account of an amount equal to the amount of the bond which*
2 *would otherwise be required by this section and that this amount is*
3 *unavailable for withdrawal except upon order of the Department.*
4 *Interest earned on the certificate accrues to the account of the*
5 *applicant.*

6 *5. A deposit made pursuant to subsection 4 may be disbursed*
7 *by the Director of the Department, for good cause shown and after*
8 *notice and opportunity for hearing, in an amount determined by*
9 *the Director to compensate a person injured by an action of the*
10 *licensee, or released upon receipt of:*

11 *(a) A court order requiring the Director to release all or a*
12 *specified portion of the deposit; or*

13 *(b) A statement signed by the person in whose name the*
14 *deposit is made and acknowledged before any person authorized to*
15 *take acknowledgments in this State, requesting the Director to*
16 *release the deposit, or a specified portion thereof, and stating the*
17 *purpose for which the release is requested.*

18 *6. When a deposit is made pursuant to subsection 4, liability*
19 *under the deposit is in the amount prescribed by the Department.*
20 *If the amount of the deposit is reduced or there is an outstanding*
21 *judgment for which the licensee is liable under the deposit, the*
22 *license is automatically suspended. The license must be reinstated*
23 *if the licensee:*

24 *(a) Files an additional bond pursuant to subsection 1;*

25 *(b) Restores the deposit with the Department to the original*
26 *amount required under this section; or*

27 *(c) Satisfies the outstanding judgment for which he or she is*
28 *liable under the deposit.*

29 *7. A deposit made pursuant to subsection 4 may be refunded:*

30 *(a) By order of the Director of the Department, 3 years after*
31 *the date on which the licensee ceases to be licensed by the*
32 *Department, if the Director is satisfied that there are no*
33 *outstanding claims against the deposit; or*

34 *(b) By order of the court, at any time within 3 years after the*
35 *date on which the licensee ceases to be licensed by the*
36 *Department, upon evidence satisfactory to the court that there are*
37 *no outstanding claims against the deposit.*

38 *8. Any money received by the Department pursuant to*
39 *subsection 4 must be deposited with the State Treasurer for credit*
40 *to the Motor Vehicle Fund.*

41 **Sec. 14.** *1. If the Department receives a copy of a court*
42 *order issued pursuant to NRS 425.540 that provides for the*
43 *suspension of all professional, occupational and recreational*
44 *licenses, certificates and permits issued to a person who is the*
45 *holder of a license issued pursuant to sections 2 to 18, inclusive, of*



1 *this act, the Department shall deem the license issued to that*
2 *person to be suspended at the end of the 30th day after the date on*
3 *which the court order was issued unless the Department receives a*
4 *letter issued to the holder of the license by the district attorney or*
5 *other public agency pursuant to NRS 425.550 stating that the*
6 *holder of the license has complied with the subpoena or warrant*
7 *or has satisfied the arrearage pursuant to NRS 425.560.*

8 *2. The Department shall reinstate a license issued pursuant to*
9 *sections 2 to 18, inclusive, of this act that has been suspended by a*
10 *district court pursuant to NRS 425.540 if the Department receives*
11 *a letter issued by the district attorney or other public agency*
12 *pursuant to NRS 425.550 to the person whose license was*
13 *suspended stating that the person whose license was suspended*
14 *has complied with the subpoena or warrant or has satisfied the*
15 *arreage pursuant to NRS 425.560.*

16 **Sec. 15.** *1. In addition to any other requirements set forth*
17 *in sections 2 to 18, inclusive, of this act, an applicant for the*
18 *renewal of a license issued pursuant to sections 2 to 18, inclusive,*
19 *of this act must indicate in the application submitted to the*
20 *Department whether the applicant has a state business*
21 *registration. If the applicant has a state business registration, the*
22 *applicant must include in the application the business*
23 *identification number assigned by the Secretary of State upon*
24 *compliance with the provisions of chapter 76 of NRS.*

25 *2. A license issued pursuant to sections 2 to 18, inclusive, of*
26 *this act may not be renewed by the Department if:*

27 *(a) The applicant fails to submit the information required by*
28 *subsection 1; or*

29 *(b) The State Controller has informed the Department*
30 *pursuant to subsection 5 of NRS 353C.1965 that the applicant*
31 *owes a debt to an agency that has been assigned to the State*
32 *Controller for collection and the applicant has not:*

33 *(1) Satisfied the debt;*

34 *(2) Entered into an agreement for the payment of the debt*
35 *pursuant to NRS 353C.130; or*

36 *(3) Demonstrated that the debt is not valid.*

37 *3. As used in this section:*

38 *(a) "Agency" has the meaning ascribed to it in NRS 353C.020.*

39 *(b) "Debt" has the meaning ascribed to it in NRS 353C.040.*

40 **Sec. 16.** *1. The Department may suspend, revoke or refuse*
41 *to issue or renew a license to operate an unmanned aerial vehicle*
42 *storage facility for any reason determined by the Director of the*
43 *Department to be in the best interest of the public, including,*
44 *without limitation, any determination that the licensee or*
45 *applicant:*



- 1 (a) *Is not lawfully entitled to a license;*
2 (b) *Has made, or knowingly or negligently permitted, any*
3 *illegal use of an existing license;*
4 (c) *Has failed to comply with any provision of sections 2 to 18,*
5 *inclusive, of this act or any regulations adopted pursuant thereto;*
6 (d) *Has made any false or misleading statements in an*
7 *application or in any records required by sections 2 to 18,*
8 *inclusive, of this act or any regulations adopted pursuant thereto;*
9 *or*
10 (e) *Has been convicted of a felony.*
11 2. *An applicant or licensee may, within 30 days after receipt*
12 *of the notice of refusal, suspension or revocation, as applicable,*
13 *petition the Department in writing for a hearing.*
14 3. *Hearings under this section and appeals therefrom must be*
15 *conducted in the manner prescribed in NRS 482.353 and 482.354.*
16 4. *If an application for a license to operate an unmanned*
17 *aerial vehicle storage facility is denied, the applicant may not*
18 *submit another application for at least 6 months after the date of*
19 *the denial.*
20 5. *The Department may refuse to review a subsequent*
21 *application for a license to operate an unmanned aerial vehicle*
22 *storage facility that is submitted by any person who violates any*
23 *provision of sections 2 to 18, inclusive, of this act.*

24 **Sec. 17. 1.** *Each unmanned aerial vehicle storage facility*
25 *shall maintain a record of all unmanned aerial vehicles acquired,*
26 *released, disassembled and sold by the storage facility. The records*
27 *must be open to inspection during business hours by any peace*
28 *officer or investigator of the Department.*

29 2. *Records maintained pursuant to subsection 1 must be*
30 *retained by the licensee for a period of at least 3 years.*

31 **Sec. 18.** *The Department may adopt regulations to carry out*
32 *the provisions of sections 2 to 18, inclusive, of this act, including,*
33 *without limitation, the storage fee that an unmanned aerial vehicle*
34 *storage facility or law enforcement agency may charge for the*
35 *storage of such a vehicle.*

36 **Sec. 19.** Section 10 of this act is hereby amended to read as
37 follows:

38 Sec. 10. 1. An application for a license to operate an
39 unmanned aerial vehicle storage facility must be made on a
40 form provided by the Department ~~[, include the social~~
41 ~~security number of the applicant]~~ and be accompanied by
42 such proof as the Department may require that the applicant
43 owns or leases and will conduct business from a permanent
44 location with at least 5,000 square feet of land which is
45 surrounded by a screened fence that is at least 6 feet high.



1 2. The fee for the issuance or renewal of a license to
2 operate an unmanned aerial vehicle storage facility is \$100.

3 3. All fees collected by the Department pursuant to this
4 section must be deposited with the State Treasurer for credit
5 to the Motor Vehicle Fund.

6 **Sec. 20.** Section 12 of this act is hereby amended to read as
7 follows:

8 Sec. 12. 1. The Department may approve or reject an
9 application for a license to operate an unmanned aerial
10 vehicle storage facility. If the Department ~~receives the~~
11 ~~statement required pursuant to section 11 of this act and~~
12 approves the application, the Department shall issue to the
13 applicant a license containing the name and address of the
14 applicant, the name under which the business is to be
15 conducted, the business address and a distinguishing number
16 assigned to the applicant.

17 2. A licensee shall post the license in a conspicuous
18 place clearly visible to the general public at the business
19 address set forth on the license.

20 3. A license expires on April 30 of each year.

21 4. A licensee may renew the license by submitting to the
22 Department:

23 (a) A completed application for renewal on a form
24 supplied by the Department; and

25 (b) ~~The statement required pursuant to section 11 of this~~
26 ~~act; and~~

27 ~~(c)~~ The fee for renewal of a license provided in section
28 10 of this act.

29 **Sec. 21.** 1. This section and sections 1 to 18, inclusive, of
30 this act become effective:

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

34 (b) On January 1, 2018, for all other purposes.

35 2. Sections 11 and 14 of this act expire by limitation on the
36 date on which the provisions of 42 U.S.C. § 666 requiring each state
37 to establish procedures under which the state has authority to
38 withhold or suspend, or to restrict the use of professional,
39 occupational and recreational licenses of persons who:

40 (a) Have failed to comply with a subpoena or warrant relating to
41 a proceeding to determine the paternity of a child or to establish or
42 enforce an obligation for the support of a child; or

43 (b) Are in arrears in the payment for the support of one or more
44 children,

45 ↪ are repealed by the Congress of the United States.



- 1 3. Sections 19 and 20 of this act become effective on the date
2 on which the provisions of 42 U.S.C. § 666 requiring each state to
3 establish procedures under which the state has authority to withhold
4 or suspend, or to restrict the use of professional, occupational and
5 recreational licenses of persons who:
- 6 (a) Have failed to comply with a subpoena or warrant relating to
7 a proceeding to determine the paternity of a child or to establish or
8 enforce an obligation for the support of a child; or
- 9 (b) Are in arrears in the payment for the support of one or more
10 children,
- 11 ➔ are repealed by the Congress of the United States.

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