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OVERVIEW OF ASSEMBLY BILL 325

ASSEMBLY COMMITTEE ON TRANSPORTATION

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ASSEMBLY TRANSPORTATION  
DATE: 4/1/03 ROOM: 3143 EXHIBIT D 1/14  
SUBMITTED BY: Assemblywoman Beckley

**OVERVIEW OF ASSEMBLY BILL 325**  
**(As Introduced)**

Assembly Bill 325 makes various changes relating to motor vehicles that have sustained certain damages.

**SECTION BY SECTION**  
**OVERVIEW OF NEW PROVISIONS**

**Section 1** amends 482.470 of *Nevada Revised Statutes* (NRS) by removing provisions that DMV will not charge a fee for issuing a salvage title and DMV will not issue a certificate of registration or certificate of ownership for a vehicle with the same identification number as the dismantled, junked, or inoperative vehicle.

**Section 2—19** adds new provision for Chapter 487 of NRS.

**Section 3** is a technical section indicating that the new provisions set forth in Section 3-19 of the bill will be added to Chapter 487 of NRS.

**Section 4.** This new section defines the term “cost of repair” for the purposes of Chapter 487 of NRS. A “cost of repair” means the cost to repair a vehicle. Section 15 is a related section that establishes the costs to repair vehicles.

**Section 5.** This new section defines the term “fair market value” of a motor vehicle for the purposes of Chapter 487 of NRS. “Fair market value” means the retail value of a motor vehicle that is the highest of the values established by an objective motor vehicle appraisal based upon local resources including automobile dealers and classified advertisements of newspapers, an independent appraisal service, and a current issue of a guide used by financial institutions for the valuation of used motor vehicles.

**Section 6.** This new section defines the term “flood-damaged vehicle” for the purposes of Chapter 487 of NRS. A “flood-damaged vehicle” means a motor vehicle which has been submerged in water to a point that the level of water is higher than the door sill of the vehicle and the water has entered the passenger, trunk, or engine compartment of the vehicle and has come in contact with the electrical system of the vehicle and an insurance company or owner or any other person has acquired or retained the vehicle as part of a loss settlement resulting from water damage.

**Section 7.** This new section defines “motor vehicle.” Motor vehicle has the meaning ascribed to it in NRS 482.075

*Additional information.* Under the provision of NRS 482.3075, a motor vehicle means every vehicle as defined in NRS 482.135, which is self-propelled.

**Section 8.** This new section defines "nonrepairable vehicle" for the purposes of Chapter 487 of NRS. A "nonrepairable vehicle" means a motor vehicle other than an abandoned vehicle that has value only as a source of parts or scrap metal, has been designated by owner for dismantling as a source of parts or scrap metal, has been stripped of all body panels, doors, hatches, substantially all interior components and substantially all grill and light assemblies; or has been burned, destroyed, or otherwise damaged to such an extent that it cannot be returned to a condition that is legal for operation on the highways of this state.

**Section 9.** This new section defines "salvage vehicle" as a motor vehicle that at any time has been declared a total loss vehicle, flood-damaged vehicle, nonrepairable vehicle, or had "salvage" or a similar word or designations placed on any title issued for the vehicle.

**Section 10.** This new section defines "title" as a certificate of ownership or any other document issued by any state or country indicating ownership of a motor vehicle.

**Section 11.** This new section requires a person prior to transferring an interest in a motor vehicle to disclose in writing to the transferee any information the transferor knows concerning whether the vehicle is a salvage vehicle. If the transferor is subject to the provisions of sales or leasing or new or rebuilt cars, the transferor is required to make the disclosure before finalizing a contract of sale or a long term-lease. The transferor must provide a copy of the disclosure to the transferee and retain the written disclosure in his records for a specified period.

**Section 12.** This new section provides that person must not remove, cause to be removed, or conceal a marking on a salvage title or other title which indicates the vehicle is salvage vehicle. A person with the intent to defraud another person and violates this is guilty of a Category D felony if the fair market value of the vehicle involved is \$250 or more. If the fair market value of the vehicle is less than \$250, the person is guilty of a misdemeanor. In addition to any other penalty, the person is required to pay restitution to the victim.

*Additional Information:* Under the provisions of NRS 193.130, a Category D felony is a felony for which a court shall sentence a convicted person to imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 4 years. In addition to any other penalty, the court may impose a fine of not more than \$5,000 unless a greater fine is authorized or required by statute.

**Section 13.** This new section provides that a person who, with the intent to defraud, violates the provisions of section 11 or 12 is liable to any purchaser or lessee of a motor vehicle for three times the amount of actual damages or \$5,000 or actual damages sustained by the purchaser or lessee and punitive damages as are determined by the court, whichever is greater. If the action is successful, the purchaser or lessees who brought the action is entitled to the costs of bringing the action and reasonable attorney's fees, as determined by the court. Further, this is in addition to and is not a substitute to any other legal or equitable remedy available to a purchaser or lessee.

**Section 14.** This new section provides that a nonrepairable vehicle must be processed as parts or scrap metal by a licensed automobile wreckers, dismantler, or recycler. Additionally, it may not be rebuilt, reconstructed, or restored for operation on the highways of this state. Further, it must be issued a certificate by DMV indicating it is a nonrepairable vehicle before any ownership interest may be transferred.

**Section 15.** This new section requires that an estimate of the costs of repairs for salvage vehicles must be calculated using the cost of the parts and labor to restore the vehicle to the condition it was in immediately before it was wrecked, destroyed, or otherwise damaged. The estimate may not include any costs associated with painting the vehicle.

*Additional Information:* NRS 487.110 governs salvage vehicles that are sold, rebuilt, and restored and notice to DMV of retention by insured.

**Section 16.** This new sections provides that DMV may issue a savage title for a vehicle containing a brief description of the vehicle including make, type, serial number, and motor number, or any other number of the vehicle. A properly endorsed title, together with a secured power of attorney and the vehicle's odometer reading, must be submitted with the application for a salvage title. Upon receipt of all necessary documents, DMV is required for issue a salvage title for the vehicle. A fee of \$10 is charge by DMV for the issuance of a salvage title. Additionally, ownership interest in a salvage vehicle may not be transferred unless a salvage title has been issued by the state agency for the vehicle. Possession of a salvage title does not entitle a person to dismantle, scrap, process, or wreck any vehicle unless the person holds a license.

**Section 17.** This new section provides that DMV may refuse to issue a license, or after notice and hearing, suspend, revoke, or refuse to renew a license to operate a garage under certain circumstances. Upon receiving any report or complaint alleging that an applicant or garageman has engaged in financial misconduct or has failed to satisfy financial obligations related to the operation of the garage, DMV may require the applicant or garageman to submit an authorization for the disclosure of financial records for the business. This information may only be used to determine the suitability of the applicant or garageman for initial or continued licensure.

**Section 18.** This new section provides that the Director of DMV may temporarily suspend or refuse to renew the registration to operate a garage for not more than 30 days if the action is necessary in the public interest. The DMV is required to conduct a hearing and issue a decision within 30 days after it sends notice to the garageman of the temporary suspension.

**Section 19.** This new sections provides that the Director of DMV may issue subpoenas for the attendance of witnesses and the production of evidence in any hearing conducted by DMV concerning the registration of a garage.

**Section 20.** This section amends the definition of a "total loss vehicle." A "total loss vehicle" means a motor vehicle that is subject to registration and which has been wrecked, destroyed, or otherwise damaged to such an extent that the cost of repair is 75 percent or more of the fair market value of the vehicle immediately before it was wrecked, destroyed, or otherwise damaged. The definition does not include a nonrepairable vehicle or other motor vehicle that is 10 years old or older and requires certain repairs.

**Section 21.** This section corrects internal references. No change in substance.

**Section 22.** This section corrects internal references. Clarifies that the wrecker must send a certificate of ownership last issued for a mobile home or commercial coach to the Manufactured Housing Division of the Department of Business and Industry. Further, it removes the provision allowing DMV to issue a licensee a salvage title and that a fee will not be charged by DMV.

**Section 23.** This section requires that whenever a salvage vehicle is sold as a result of total loss, the person or insurance company must forward the endorsed title with an application for a salvage title to the DMV within 30 days after the receipt of the endorsed title. An insurance company may not sell a vehicle for which a total loss settlement has been made if it is a salvage vehicle. A salvage vehicle that is rebuilt and restored to operation may not be displayed or offered for sale, until a salvage title and a certificate of inspection is submitted to DMV.

If a total loss insurance settlement between an insurance company and any person results in keeping the salvage vehicle, that person or insurance company is required on behalf of the person to apply for a salvage title. A signature of the person who is retaining the salvage vehicle is required. The application for a salvage title must include the title to the motor vehicle or an affidavit stating that the original title has been lost. A person who retains the salvage vehicle may not transfer any ownership interest in the vehicle until he has received a salvage title.

**Section 24.** This section removes the bill of sale of salvage.

**Section 25.** This section amends NRS 487.150 to provide that a salvage vehicle may not be registered until it has been inspected by a licensed garage that certifies the salvage vehicle to be in safe mechanical condition and equipped with all safety equipment required by the manufacturer. The certificate of inspection must indicate that the vehicle identification number is accurate, any used parts that were required to repair the vehicle are legitimate, and the motor vehicle has been repaired to the standards of the manufacturer.

**Section 26.** This section corrects internal references. No substantive changes.

**Section 27.** This section corrects internal references. No substantive changes.

**Section 28.** This section provides that certain provisions of NRS and Sections 3 to 16 do not apply to work or service vehicle owned by an automobile wrecker if such a vehicle is being used solely at the place of business of the automobile wrecker.

**Section 29.** This section provides that any persons not licensed to dismantle, scrap, process, or wreck vehicles are guilty of a misdemeanor.

**Section 30.** This section requires a salvage title be issued by DMV pursuant to section 16 to an automobile wrecker under certain circumstances.

**Section 31.** This section provides that an automobile wrecker may file a lien. If a person does not claim the vehicle, the garage or automobile wrecker may satisfy his lien by obtaining a salvage title as provided under Section 16 of this bill.

**Section 32.** This section corrects internal references. No substantive changes.

**Section 33.** This section removes the current provisions allowing an operator of a salvage pool to sell a vehicle. The operator is required to possess a salvage title for that vehicle prior to selling the salvage vehicle.

**Section 34.** This section provides that sections 17, 18, and 19 have the definitions as used in NRS 487.530 to 487.570 inclusive.

**Section 35.** This section provides that DMV may suspend, revoke, or refuse to renew a license to operate a body shop under certain circumstances including: when an applicant or licensee or an employee of the applicant or licensee is convicted of a felony, misdemeanor, or gross misdemeanor for a violation of Chapter 487; a guilty conviction in a case involving a fraudulent inspection, purchase, sale, or transfer of a salvage vehicle; or the improper, careless, or negligent inspection of a salvage vehicle or a false statement of material fact in a certification of a salvage vehicle.

**Section 36.** This section repeals the transfer of title without a fee when a vehicle is acquired for dismantling or wrecking.

D. 6/14



Locate by:    
 CarID  VIN  StockNo

[Printer View](#) [Alternate View](#) [Send this Vehicle to a Friend](#)

**Complete Vehicle Information**

SalvageNow No: **50455**  
 Stock No: **188792**  
 Make: **Chevrolet**  
 Model: **Malibu LS (4 Door)**  
 Year: **2003**  
 VIN: **1G1NE52J33M516241**  
 Engine Type: **V6**  
 Transmission: **Automatic Overdrive**  
 Location: **Las Vegas, Nevada**  
 Exterior Color: **Gold**  
 Interior Type: **Cloth**  
 Interior Color: **Tan**  
 Primary Damage: **Rolled**  
 Other Damage: **None**  
 Condition: **Rebuildable**  
 Documents: **Clean Title**  
 Mileage: **10,294**  
 Price:

**Vehicle Sale Information**

Seller Type: **Rental Agency**  
**PurCo**

**Vehicle Options**

AirBags Deployed: **NO**  
 Power Locks: **YES**  
 Power Windows: **YES**  
 Power Steering: **YES**  
 Tilt Steering: **YES**  
 Cruise Control: **YES**  
 Tape Deck: **NO**  
 CD Player: **YES**  
 4x4: **NO**  
 MoonRoof: **NO**  
 Alloy Wheels: **YES**  
 Title In Hand: **NO**



**Bidding Information**

Current Time: 12/02/2002 12:17:13 PM

Place Bid: \$  Bid  BidWatch?  Bid Increment this lot: \$ 25  
 Enter your maximum bid and check *BidWatch* and the system will automatically bid for you up to that amount.

Current High Bid: **\$ 1,100** Opens: (dates are MM/DD/YY) **11/26/2002** Closes: (times are US/Eastern) **12/03/2002 06:00 PM**

Buyers Fee: \$ 300 Estimated Transport Cost: \$ 250

Parts Beyond Repair: **rt and lt fender skins, 4 tires and wheels, both front suspensions, right and left tie rods, top and tail,**

Parts Repairable: **both rt door shells, uni-body, lt rear door shell??**

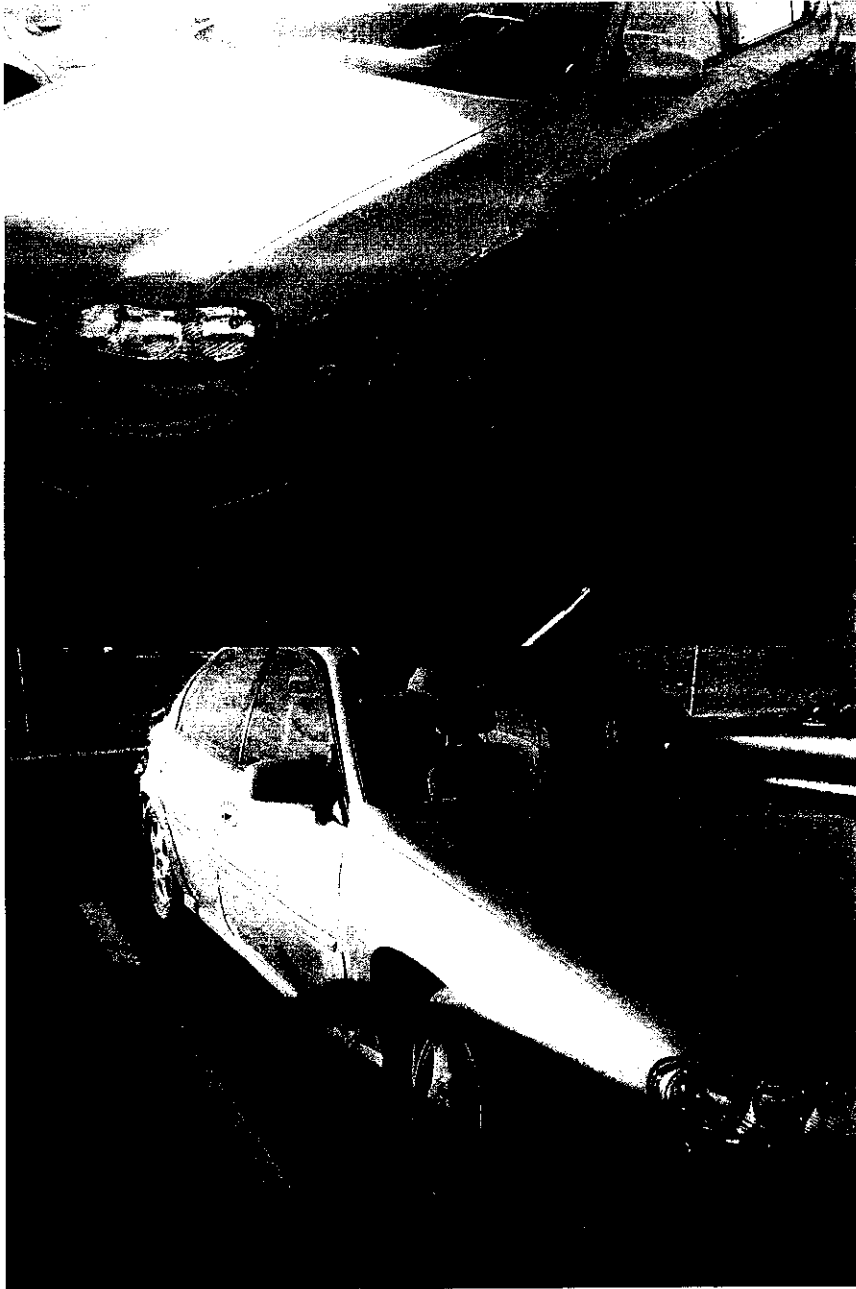
Parts Missing: **none listed**



Comments:

**in-op**

Photographs.







**SALVAGENOW**

123 NW 13th Street, Suite 215 Boca Raton, FL 33432 Phone:(561)392-6266 Fax:(561) 392-4483  
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Locate by:

CarID  VIN  StockNo

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### Complete Vehicle Information

SalvageNow No: **50298**  
 Stock No:  
 Make: **Chevrolet**  
 Model: **Blazer LS (4 Door)**  
 Year: **2002**  
 VIN: **1GNCS13W42K237862**  
 Engine Type: **V6**  
 Transmission: **Automatic Overdrive**  
 Location: **Las Vegas, Nevada**  
 Exterior Color: **Bronze**  
 Interior Type: **Cloth**  
 Interior Color: **Grey**  
 Primary Damage: **Medium Roll**  
 Other Damage: **None**  
 Condition: **Rebuildable**  
 Documents: **Clean Title**  
 Mileage: **14,173**  
 Price:

### Vehicle Sale Information

Seller Type: **Rental Agency**  
**Alamo Rent A Car**

### Vehicle Options

AirBags Deployed: **NO**  
 Power Locks: **YES**  
 Power Windows: **YES**  
 Power Steering: **YES**  
 Tilt Steering: **YES**  
 Cruise Control: **YES**  
 Tape Deck: **NO**  
 CD Player: **YES**  
 4x4: **NO**  
 MoonRoof: **NO**  
 Alloy Wheels: **YES**  
 Title In Hand:



### Bidding Information

Current Time: 12/02/2002 12:14:27 PM

Place Bid: \$   BidWatch?  Bid Increment this lot: \$ 25  
 Enter your maximum bid and check *BidWatch* and the system will automatically bid for you up to that amount.

Current High Bid: **\$ 1,125** Opens: (dates are MM/DD/YY) **11/27/2002** Closes: (times are US/Eastern) **12/03/2002 06:00 PM**

Buyers Fee: \$ 300 Estimated Transport Cost: \$ 250

### Parts Beyond Repair:

**hood, It fender skin, front bumper air deflector, 2 tires and wheels, windshield, roof cut with roof rack and headliner, It windshield post and hinge pillar, both front doors with inside trims, both rear doors,**

### Parts Repairable:

**rear bumper, It 1/4 skin, rt fender skin, frame/uni-body**

### Parts Missing:

none listed

Comments:

in-op

Photographs:







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