Assembly Bill No. 325–Assemblymen Buckley, Conklin, Koivisto, Parks, Leslie, Anderson, Arberry, Atkinson, Claborn, Collins, Giunchigliani, Grady, Horne, Mabey, Manendo, McClain, Perkins, Pierce, Sherer, Weber and Williams

## CHAPTER.....

AN ACT relating to motor vehicles; requiring certain replacement and repairs if an airbag or seatbelt assembly in a vehicle has sustained certain damages; imposing certain restrictions and requirements upon the transfer and titling of vehicles that have sustained certain damages; requiring certain notices and disclosures regarding such vehicles; imposing civil liability and providing criminal penalties for certain violations relating thereto; revising certain provisions governing the registration or licensure of garagemen and body shops; and providing other matters properly relating thereto.

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

**Section 1.** NRS 482.098 is hereby amended to read as follows: 482.098 "Rebuilt vehicle" means a vehicle [,]:

1. That is a salvage vehicle as that term is defined in section 9 of this act, excluding a nonrepairable vehicle; or

2. A vehicle one or more major components of which have been replaced as set forth in this subsection. For the purposes of this [section,] subsection, the requisite major components of a vehicle which must be replaced for a vehicle to be considered rebuilt are the:

[1.] (*a*) Cowl assembly;

[2.] (b) Rear clip assembly;

[3.] (c) Roof;

[4.] (d) Floor pan assembly; or

[5.] (e) Conventional frame coupled with one additional major component.

Sec. 1.5. NRS 482.470 is hereby amended to read as follows:

482.470 1. If any vehicle is dismantled, junked or rendered inoperative and unfit for further use in accordance with the original purpose for which it was constructed, the owner shall deliver to the Department any certificate of registration and certificate of ownership issued by the Department or any other jurisdiction, unless the certificate of ownership is required for the collection of any insurance or other indemnity for the loss of the vehicle, or for transfer in order to dispose of the vehicle.

2. Any other person taking possession of a vehicle described in subsection 1 shall immediately deliver to the Department any license plate or plates, certificate of registration or certificate of

ownership issued by the Department or any other jurisdiction, if he has acquired possession of any of these and unless the certificate of ownership is required for a further transfer in the ultimate disposition of the vehicle.

3. The Department may issue a salvage title as provided in chapter 487 of NRS. [The Department shall not charge a fee for the issuance of the salvage title.]

4. The Department shall destroy any plate or plates [, certificate of registration or certificate of ownership that is] *that are* returned in a manner described in subsections 1 and 2. [The Department shall 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 if the vehicle was manufactured in the 5 years preceding the date on which it was dismantled, junked or otherwise rendered inoperative, unless the Department authorizes the restoration of the vehicle pursuant to subsection 2 of NRS 482.553.]

**Sec. 2.** Chapter 487 of NRS is hereby amended by adding thereto the provisions set forth as sections 2.5 to 19, inclusive, of this act.

Sec. 2.5. 1. Except as otherwise provided in subsection 3, if a salvage vehicle is repaired or rebuilt by a garageman or operator of a body shop, the repairs or rebuilding must comply with the standards published and commonly applied in the motor vehicle repair industry.

2. Except as otherwise provided in subsection 3, if any safety equipment that was present in a motor vehicle at the time it was manufactured is repaired or replaced by a garageman or operator of a body shop, the equipment must be repaired or replaced to the standards published and commonly applied in the motor vehicle repair industry.

3. If a motor vehicle has been in an accident and a garageman or operator of a body shop accepts or assumes control of the motor vehicle to make any repair, the garageman or operator shall:

(a) For a motor vehicle that is equipped with an airbag that has been deployed, replace the airbag in a manner that complies with the standards set forth in 49 C.F.R. § 571.208, Standard No. 208, for such equipment.

(b) For a motor vehicle that is equipped with a seatbelt assembly which requires repair or replacement, repair or replace the seatbelt assembly in a manner that complies with the standards set forth in 49 C.F.R. § 571.209, Standard No. 209, for such equipment.

4. A garageman or operator of a bodyshop who is licensed pursuant to the provisions of chapter 487 of NRS who performs

the work required pursuant to this section shall retain a written record of the work, including, without limitation, the date of the repair, rebuilding or replacement, and any identifying information regarding any parts or equipment used in the repair, rebuilding or replacement.

Sec. 3. As used in NRS 487.045, 487.110, 487.120, 487.150 and 487.185 and sections 3 to 16, inclusive, of this act, the words and terms defined in NRS 487.045 and sections 4 to 10, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 4. "Cost of repair" means the cost to repair a vehicle, which is established pursuant to section 15 of this act.

Sec. 5. "Fair market value" means the retail value of a motor vehicle that is established by:

1. An objective motor vehicle appraisal based upon local market resources, including, without limitation, automobile dealers and classified advertisements of newspapers;

2. An independent appraisal service;

3. A current issue of a nationally recognized guide used by financial institutions in this state for the valuation of used motor vehicles: or

4. A computer-based service commonly used by the insurance industry for the valuation of used motor vehicles.

Sec. 6. "Flood-damaged vehicle" means a motor vehicle which:

1. Has been submerged in water to a point that the level of the 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 into contact with the electrical system of the vehicle; or

2. Has been acquired by an insurance company or retained by its owner or any other person as part of a total loss settlement resulting from water damage.

Sec. 7. "Motor vehicle" has the meaning ascribed to it in NRS 482.075.

Sec. 8. "Nonrepairable vehicle" means a motor vehicle other than an abandoned vehicle, as defined in NRS 487.210, that:

 Has value only as a source of parts or scrap metal;
Has been designated by its owner for dismantling as a source of parts or scrap metal;

3. Has been stripped of all body panels, doors, hatches, substantially all interior components and substantially all grill and light assemblies; or

4. Has been burned, destroyed or otherwise damaged to such an extent that it cannot be returned to a condition which is legal for operation on the highways of this state.

**Sec. 9.** "Salvage vehicle" means 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 designation placed on any title issued for the vehicle.

Sec. 10. "Title" means a certificate of title or any other document issued by any state or country indicating the ownership of a motor vehicle.

Sec. 11. 1. Any person who transfers an interest in a motor vehicle in this state shall, before the transfer, disclose in writing to the transferee any information that the transferor knows or reasonably should know concerning whether the vehicle is a salvage vehicle.

2. If the transferor is subject to any of the provisions of NRS 482.423 to 482.4245, inclusive, the transferor shall:

(a) Make the disclosure required by subsection 1 before executing a contract of sale or a long-term lease;

(b) Provide a copy of the disclosure to the transferee; and

(c) Retain the written disclosure in his records for the period specified in NRS 482.3263.

3. A person who violates subsection 1 is guilty of obtaining property by false pretenses as provided in NRS 205.380.

**Sec. 12.** 1. A person shall not remove, cause to be removed or conceal a marking on a salvage title or other title which indicates that the vehicle is a salvage vehicle.

2. A person who knowingly violates subsection 1 with the intent to defraud:

(a) If the fair market value of the vehicle involved is \$250 or more, is guilty of a category D felony and shall be punished as provided in NRS 193.130.

(b) If the fair market value of the vehicle involved is less than \$250, is guilty of a misdemeanor.

In addition to any other penalty, the court shall order the person to pay restitution to the victim.

Sec. 13. 1. A person who, with the intent to defraud, violates any provision of section 11 or 12 of this act is liable to any purchaser or lessee of a motor vehicle who is harmed by that violation for:

(a) Three times the amount of actual damages sustained by the purchaser or lessee;

(b) Five thousand dollars; or

(c) Actual damages sustained by the purchaser or lessee and such punitive damages as may be allowed by the court, whichever is greater.

2. If an action brought pursuant to subsection 1 is successful, the purchaser or lessee who brought the action is entitled to the costs of bringing the action and reasonable attorney's fees, as determined by the court.

3. The remedy provided in this section is in addition to and is not a substitute for any other legal or equitable remedy available to a purchaser or lessee of a motor vehicle who is harmed by a violation of section 11 or 12 of this act.

Sec. 14. A nonrepairable vehicle:

1. Must be processed as parts or scrap metal by a licensed automobile wrecker, dismantler or recycler.

2. May not be rebuilt, reconstructed or restored for operation on the highways of this state.

3. Must be issued a certificate by the state agency which indicates that it is a nonrepairable vehicle before any ownership interest in the vehicle may be transferred.

**Sec. 15.** An estimate of the cost of repair for a motor vehicle pursuant to NRS 487.110:

1. Must be calculated using the cost of the parts and labor required to restore the vehicle to the condition it was in immediately before it was wrecked, destroyed or otherwise damaged. The cost of parts and labor must be based on:

(a) The current published actual retail price of original manufacturer equipment, retail price of new alternative equipment or the actual cost of used parts.

(b) Rates for labor which are commonly charged in the community in which the repairs will be performed.

2. May not include any cost associated with painting any portion of the vehicle.

**Sec. 16.** 1. The state agency may issue a salvage title for a vehicle, which contains a brief description of the vehicle, including, insofar as data may exist with respect to the vehicle, the make, type, serial number and motor number, or any other number of the vehicle, upon application, to:

(a) The owner of the vehicle;

(b) The person to whom the vehicle is titled;

(c) An insurance company that acquires the vehicle as a salvage vehicle pursuant to subsection 1 of NRS 487.110; or

(d) A lienholder who acquires title to the vehicle.

2. A properly endorsed title, together with a disclosure of mileage, as required pursuant to the provisions of 49 U.S.C. §§ 32701 et seq. and 49 C.F.R. § 580.5, must be submitted with the application for salvage title.

3. Within 2 days after receiving all necessary documents, the state agency shall issue a salvage title for the vehicle.

4. Except as otherwise provided in this subsection, the state agency shall charge and collect a fee of \$10 for the issuance of a salvage title pursuant to this section. The state agency shall not

charge a fee for the issuance of a salvage title to an automobile wrecker licensed in this state. Fees collected by the state agency pursuant to this subsection must be deposited with the State Treasurer for credit to the Account for Regulation of Salvage Pools, Automobile Wreckers, Body Shops and Garages created by NRS 487.450.

5. Ownership interest in a salvage vehicle may not be transferred unless a salvage title has been issued by the state agency for the vehicle.

6. Possession of a salvage title does not entitle a person to dismantle, scrap, process or wreck any vehicle in this state unless the person holds a license issued pursuant to NRS 487.050.

7. The Department shall not issue a salvage title for a nonrepairable vehicle.

**Sec. 17.** 1. The Department may refuse to issue a registration or, after notice and hearing, may suspend, revoke or refuse to renew a registration to operate a garage upon any of the following grounds:

(a) A false statement of a material fact in a certification for a salvage vehicle required pursuant to NRS 487.110.

(b) A false statement or certification for an inspection pursuant to NRS 487.110 which attests to the mechanical fitness or safety of a salvage vehicle.

2. As used in this section, "salvage vehicle" has the meaning ascribed to it in section 9 of this act.

Sec. 18. If the Director finds that the action is necessary in the public interest, the Director may, upon notice to the garageman, temporarily suspend or refuse to renew the certificate of registration to operate a garage for not more than 30 days. The Department shall conduct a hearing and issue a final decision on the matter within 30 days after it sends notice to the garageman of the temporary suspension.

**Sec. 19.** In any hearing conducted by the Department concerning the registration of a garage, the Director may issue subpoenas for the attendance of witnesses and the production of evidence.

Sec. 20. NRS 487.045 is hereby amended to read as follows:

487.045 [As used in NRS 487.045 to 487.200, inclusive, "total] "Total loss vehicle" means a *motor* vehicle:

1. Of a type which is subject to registration; *and* 

2. Which has been wrecked, destroyed or otherwise damaged to such an extent that the <u>[owner, leasing company, financial</u> institution or the insurance company that insured the vehicle considers it uneconomical to repair the vehicle; and

<u>3.</u> Because of that wreckage, destruction or other damage, which is not repaired by or for the person who owned the vehicle at

the time of the event resulting in the damage.] cost of repair is 65 percent or more of the fair market value of the vehicle immediately before it was wrecked, destroyed or otherwise damaged.

The term does not include a nonrepairable vehicle or other motor vehicle which is 10 model years old or older and which requires only the replacement of the hood, trunk lid, grill assembly or two or fewer quarter panels, doors, bumper assemblies, headlight assemblies, taillight assemblies, or any combination thereof, to restore the vehicle to its condition before it was wrecked, destroyed or otherwise damaged. For the purposes of this section, the model year of manufacture is calculated based on a year beginning on January 1 of the calendar year in which the damage occurs.

**Sec. 21.** NRS 487.060 is hereby amended to read as follows: 487.060 1. No license may be issued to an automobile wrecker until he has procured and filed with the Department a good and sufficient bond in the amount of \$50,000, with a corporate surety thereon licensed to do business in the State of Nevada, approved as to form by the Attorney General, and conditioned that the applicant conducts his business as a wrecker without fraud or fraudulent representation, and without violation of the provisions of NRS 487.045 [to 487.200, inclusive.], 487.110, 487.120, 487.150 and 487.185 and sections 3 to 16, inclusive, of this act and NRS 487.050 to 487.100, inclusive, and 487.160, 487.170, 487.180, 487.190 and 487.200. The Department may, by agreement with any automobile wrecker who has been licensed for 5 years or more by the Department or a department of motor vehicles in another state, reduce the amount of the bond of the wrecker, if the business of that wrecker has been conducted satisfactorily for the preceding 5 years, but no bond may be in an amount less than \$5,000. The Department shall make the necessary investigation to determine whether a wrecker licensed in another state has conducted its business satisfactorily.

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

3. The bond must provide that any person injured by the action of the automobile wrecker in violation of any of the provisions of NRS 487.045 [to 487.160, inclusive,], 487.110, 487.120, 487.150 and 487.185 and sections 3 to 16, inclusive, of this act and NRS 487.050 to 487.100, inclusive, and 487.160, 487.170, 487.180, 487.190 and 487.200 may apply to the Director for compensation from the bond. The Director, for good cause shown and after notice and opportunity for hearing, may determine the amount of compensation and the person to whom it is to be paid. The surety shall then make the payment.

4. In lieu of a bond an automobile wrecker may deposit with the Department, under the terms prescribed by the Department:

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

(b) A savings certificate of a bank, credit union or savings and loan association situated in Nevada, which must indicate an account of an amount equal to the amount of the bond which would otherwise be required by this section and that this amount is unavailable for withdrawal except upon order of the Department. Interest earned on the certificate accrues to the account of the applicant.

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

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

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

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

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

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

(c) Satisfies the outstanding judgment for which he is liable under the deposit.

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

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

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

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

**Sec. 22.** NRS 487.100 is hereby amended to read as follows:

487.100 1. Except as otherwise provided in subsection 2, any automobile wrecker purchasing from any person other than a licensed operator of a salvage pool, any vehicle subject to registration pursuant to the laws of this state shall forward to the Department the certificates of ownership and registration last issued therefor.

2. The certificate of ownership last issued for a mobile home or commercial coach must be sent by the wrecker to the Manufactured Housing Division  $\frac{1}{4}$ .

3. The state agency may issue to the licensee a salvage title containing a brief description of the vehicle, including, insofar as data may exist with respect to the vehicle, the make, type, serial number and motor number, or any other number of the vehicle. The state agency shall not charge a fee for the issuance of the salvage title.] of the Department of Business and Industry.

Sec. 23. NRS 487.110 is hereby amended to read as follows:

487.110 1. Except [as otherwise provided in subsection 2, whenever a vehicle subject to registration is sold as salvage:

(a) As] with respect to a nonrepairable vehicle, when an insurance company acquires a motor vehicle as a result of a [total loss insurance settlement, the] settlement in which the motor vehicle is determined to be a salvage vehicle, the owner of the motor vehicle who is relinquishing ownership of the motor vehicle shall endorse the title of the motor vehicle and forward the endorsed title to the insurance company. The insurance company or its authorized agent shall forward the endorsed [ownership certificate or other evidence of] title, together with an application for salvage title to the state agency within 30 days after receipt [thereof; or

(b) Because the owner determines that the vehicle is a total loss vehicle, the owner] of the endorsed title.

2. Except as otherwise provided in subsection 1, before any ownership interest in a salvage vehicle, except a nonrepairable vehicle, may be transferred, the owner or other person to whom the motor vehicle is titled:

(a) If the person has possession of the title to the vehicle, shall forward the [ownership certificate or other evidence of] endorsed title, together with an application for salvage title to the state agency within [120] 30 days after the vehicle [is damaged.] becomes a salvage vehicle.

(b) If the person does not have possession of the title to the vehicle and the title is held by a lienholder, shall notify the lienholder within 10 days after the vehicle becomes a salvage vehicle that the vehicle has become a salvage vehicle. The lienholder shall, within 30 days after receiving such notice,

## forward the title, together with an application for salvage title, to the state agency.

**3. An** insurance company or its authorized agent may sell a vehicle for which a total loss settlement has been made with the properly endorsed [ownership certificate or other evidence of] title if the total loss settlement resulted from the theft of the vehicle and the vehicle, when recovered, was not [damaged to the extent that it was required to be rebuilt.] a salvage vehicle.

**4.** An owner who has determined that a vehicle is a total loss *salvage* vehicle may sell the vehicle with the properly endorsed [ownership certificate or other evidence of] title *obtained pursuant to this section, without making any repairs to the vehicle,* to a salvage pool, automobile auction, rebuilder, automobile wrecker or a new or used motor vehicle dealer.

[3. Upon the sale of the salvage vehicle, the insurance company, salvage pool, automobile auction, leasing company or financial institution which sells the salvage vehicle shall issue a bill of sale of salvage to the purchaser on a form to be prescribed and supplied by the state agency. The state agency shall accept the bill of sale of salvage in lieu of the ownership certificate or other evidence of title when accompanied by an appropriate application or other documents and fees.

4. When the

5. Except with respect to a nonrepairable vehicle, if a salvage vehicle is rebuilt and [to be] restored to operation, the vehicle may not be licensed for operation, displayed or offered for sale, or the ownership thereof transferred, until there is submitted to the state agency with the prescribed [bill of sale of] salvage title, an appropriate application, other documents, including, without limitation, an affidavit from the state agency attesting to the inspection and verification of the vehicle identification number and the identification numbers, if any, for parts used to repair the motor vehicle and fees required, [and] together with a certificate of inspection [signed by an employee of the state agency attesting to its mechanical fitness and safety.

<u>5. When] completed pursuant to NRS 487.150.</u>

6. Except with respect to a nonrepairable vehicle, if a total loss insurance settlement between [the] an insurance company and [its insured] any person results in the retention of the salvage vehicle by [the insured,] that person, before the execution of the total loss settlement, the insurance company or its authorized agent shall [, within 30 days after the date of settlement, notify the state agency of the retention by its insured upon a form to be supplied by the state agency.]:

(a) Obtain, upon an application for salvage title, the signature of the person who is retaining the salvage vehicle;

(b) Append to the application for salvage title the title to the motor vehicle or an affidavit stating that the original title has been lost; and

(c) Apply to the state agency for a salvage title on behalf of the person who is retaining the salvage vehicle.

7. If the state agency determines that a salvage vehicle retained pursuant to subsection 5 is titled in another state or territory of the United States, the state agency shall notify the appropriate authority of that state or territory that the owner has retained the salvage vehicle.

8. A person who retains a salvage vehicle pursuant to subsection 6 may not transfer any ownership interest in the vehicle unless he has received a salvage title.

Sec. 24. NRS 487.120 is hereby amended to read as follows:

487.120 1. If the applicant for a salvage title is unable to furnish the certificates of ownership and registration last issued for the vehicle, [or a bill of sale of salvage,] the state agency may accept the application, examine the circumstances of the case and require the filing of suitable affidavits or other information or documents. If satisfied that the applicant is entitled to a salvage title, the state agency may issue the salvage title.

2. No duplicate certificate of ownership or registration may be issued when a salvage title is applied for, and no fees are required for the affidavits of any stolen, lost or damaged certificate, or duplicates thereof, unless the vehicle is subsequently registered.

Sec. 25. NRS 487.150 is hereby amended to read as follows: 487.150 [No]

1. Except with respect to a nonrepairable vehicle, a vehicle for which a salvage title has been issued may not subsequently be registered until it has been inspected by [the Department and found] a garageman who operates a garage that is registered pursuant to NRS 487.560 or by the owner of a body shop licensed pursuant to NRS 487.630 or by an employee of such a garage or body shop and is certified to be in a safe mechanical condition and equipped with all safety [glass.] equipment required by the manufacturer.

2. If a garageman or owner of a body shop, or an employee thereof, who performs an inspection pursuant to subsection 1 finds the vehicle to be in a safe mechanical condition and equipped with all safety equipment required by the manufacturer, the garageman, owner or employee shall complete and sign a certificate of inspection, on a form prescribed by the state agency, attesting to the mechanical fitness and safety of the vehicle and to any mechanical or other work that was performed on the vehicle at the garage or body shop. The certificate of inspection must indicate that the motor vehicle has been repaired to the standards of the manufacturer and any safety equipment, including, without

## limitation, any occupant restraint devices, that were present in the vehicle at the time the vehicle was manufactured are present and operational to the specifications of the manufacturer.

Sec. 26. NRS 487.160 is hereby amended to read as follows:

487.160 1. The Department, after notice and hearing, may suspend, revoke or refuse to renew a license of an automobile wrecker upon determining that the automobile wrecker:

(a) Is not lawfully entitled thereto;

(b) Has made, or knowingly or negligently permitted, any illegal use of that license;

(c) Has failed to return a salvage title to the state agency when and as required of him by NRS 487.045 [to 487.190, inclusive;], 487.110, 487.120, 487.150 and 487.185 and sections 3 to 16, inclusive, of this act; or

(d) Has failed to surrender to the state agency certificates of ownership for vehicles before beginning to dismantle or wreck the vehicles.

2. The applicant or licensee may, within 30 days after receipt of the notice of refusal, suspension or revocation, petition the Department in writing for a hearing.

3. Hearings under this section and appeals therefrom must be conducted in the manner prescribed in NRS 482.353 and 482.354.

4. The Department may suspend, revoke or refuse to renew a license of an automobile wrecker, or deny a license to an applicant therefor, if the licensee or applicant:

(a) Does not have or maintain an established place of business in this state.

(b) Made a material misstatement in any application.

(c) Willfully fails to comply with any *applicable* provision of [NRS 487.045 to 487.190, inclusive.] *this chapter*.

(d) Fails to furnish and keep in force any bond required by NRS 487.050 to 487.100, inclusive, and 487.160, 487.170, 487.180, 487.190 [, inclusive.] and 487.200.

(e) Fails to discharge any final judgment entered against him when the judgment arises out of any misrepresentation of a vehicle, trailer or semitrailer.

(f) Fails to maintain any license or bond required by a political subdivision of this state.

(g) Has been convicted of a felony.

(h) Has been convicted of a misdemeanor or gross misdemeanor for a violation of a provision of this chapter.

(i) Fails or refuses to provide to the Department an authorization for the disclosure of financial records for the business as required pursuant to subsection 7. 5. If an application for a license as an automobile wrecker is denied, the applicant may not submit another application for at least 6 months after the date of the denial.

6. The Department may refuse to review a subsequent application for licensing submitted by any person who violates any provision of this chapter.

7. Upon the receipt of any report or complaint alleging that an applicant or a licensee has engaged in financial misconduct or has failed to satisfy any financial obligation related to the business of dismantling, scrapping, processing or wrecking of vehicles, the Department may require the applicant or licensee to submit to the Department an authorization for the disclosure of financial records for the business as provided in NRS 239A.090. The Department may use any information obtained pursuant to such an authorization only to determine the suitability of the applicant or licensee for initial or continued licensure. Information obtained pursuant to such an authorization may be disclosed only to those employees of the Department who are authorized to issue a license to an applicant pursuant to NRS 487.050 to 487.100, inclusive, and 487.160, 487.170, 487.180, 487.190 and 487.200, [inclusive,] or to determine the suitability of an applicant or a licensee for such licensure.

8. For the purposes of this section, failure to adhere to the directives of the state agency advising the licensee of his noncompliance with any provision of NRS 487.045, 487.110, 487.120, 487.150 and 487.185 and sections 3 to 16, inclusive, of this act and NRS 487.050 to 487.100, inclusive, and 487.160, 487.170, 487.180, 487.190 [. inclusive,] and 487.200, or regulations of the state agency, within 10 days after the receipt of those directives, is prima facie evidence of willful failure to comply.

Sec. 27. NRS 487.185 is hereby amended to read as follows:

487.185 1. A person shall not remove a total loss *salvage* vehicle from this state for the purpose of selling that vehicle unless the [ownership certificate or other evidence of] title has been forwarded to the state agency pursuant to [paragraph (b) of] subsection 1 of NRS 487.110.

2. A person who violates the provisions of this section:

(a) If the value of the vehicle removed from this state is less than \$250, is guilty of a misdemeanor.

(b) If the value of the vehicle removed from this state is \$250 or more, is guilty of a gross misdemeanor.

Sec. 28. NRS 487.190 is hereby amended to read as follows:

487.190 The provisions of NRS 487.045 [to 487.180, inclusive,], 487.110, 487.120, 487.150 and 487.185 and sections 3 to 16, inclusive, of this act do not apply to work or service vehicles owned by an automobile wrecker [-] if such a vehicle is being used

solely at the place of business of the automobile wrecker that has been reported to the Department pursuant to NRS 487.073.

Sec. 29. NRS 487.200 is hereby amended to read as follows:

487.200 [Unless a greater penalty is provided in NRS 487.185, any] Any person who violates any of the provisions of NRS [487.045 to 487.190,] 487.050 to 487.100, inclusive, and 487.160, 487.170, 487.180, 487.190 and 487.200, is guilty of a misdemeanor.

Sec. 30. NRS 487.250 is hereby amended to read as follows:

487.250 1. The state agency or political subdivision shall, within 48 hours after the appraisal, notify the head of the state agency of the removal of the vehicle. The notice must contain:

(a) A description of the vehicle.

(b) The appraised value of the vehicle.

(c) A statement as to whether the vehicle will be junked, dismantled or otherwise disposed of.

2. The person who removed the vehicle must notify the registered owner and any person having a security interest in the vehicle by registered or certified mail that the vehicle has been removed and will be junked or dismantled or otherwise disposed of unless the registered owner or the person having a security interest in the vehicle responds and pays the costs of removal.

3. Failure to reclaim within 15 days after notification a vehicle appraised at \$500 or less constitutes a waiver of interest in the vehicle by any person having an interest in the vehicle.

4. If all recorded interests in a vehicle appraised at \$500 or less are waived, either as provided in subsection 3 or by written disclaimer by any person having an interest in the vehicle, the state agency shall issue a salvage title *pursuant to section 16 of this act* to the automobile wrecker who towed the vehicle or to whom the vehicle may have been delivered, or a certificate of ownership to the garage owner if he elects to retain the vehicle and the vehicle is equipped as required by chapter 484 of NRS.

Sec. 31. NRS 487.270 is hereby amended to read as follows:

487.270 1. Whenever a vehicle has been removed to a garage or other place as provided by NRS 487.230, the owner of the garage or the automobile wrecker who towed the vehicle has a lien on the vehicle for the costs of towing and storing for a period not exceeding 90 days.

2. If the vehicle is appraised at a value of \$500 or less and is not reclaimed within the period prescribed in NRS 487.250, the owner of the garage or automobile wrecker may satisfy his lien by retaining the vehicle and obtaining a certificate [of ownership thereto] pursuant to section 14 of this act, if applicable, or a salvage title as provided in [NRS 487.250.] section 16 of this act.

3. If the vehicle is appraised at a value of more than \$500 and is not reclaimed within 45 days, the owner of the garage or

automobile wrecker may satisfy his lien, in accordance with the provisions of NRS 108.265 to 108.360, inclusive. Before such a person may sell the vehicle, he shall obtain a certificate pursuant to section 14 of this act, if applicable, or a salvage title as provided in section 16 of this act.

Sec. 32. NRS 487.450 is hereby amended to read as follows:

487.450 1. The Department shall charge and collect a fee of \$300 for the issuance or renewal of a license to operate a salvage pool.

2. Fees collected by the Department pursuant to this section must be deposited with the State Treasurer to the credit of the Account for Regulation of Salvage Pools, Automobile Wreckers, Body Shops and Garages which is hereby created in the State General Fund. Money in the Account may be used only for the administration of NRS 487.002, [487.045 to 487.200, inclusive,] 487.050 to 487.100, inclusive, and 487.160, 487.170, 487.180, 487.190 and 487.200 and 487.400 to 487.690, inclusive.

Sec. 33. NRS 487.480 is hereby amended to read as follows:

487.480 1. Before an operator of a salvage pool sells any vehicle subject to registration pursuant to the laws of this state, he must have in his possession the certificate of [ownership or a bill of sale of salvage] title for a vehicle obtained pursuant to subsection 2 of NRS 487.110 or the salvage title for that vehicle. [He shall, within 10 days after completion of the transaction, forward the certificate of ownership or bill of sale of salvage to the Department.] The Department shall not issue a certificate of registration or certificate of ownership for a vehicle with the same identification number if the vehicle was manufactured in the 5 years preceding the date on which the [operator forwards the certificates to the Department,] salvage title was issued, unless the Department authorizes the restoration of the vehicle pursuant to subsection 2 of NRS 482.553.

2. Upon sale of the vehicle, the operator of the salvage pool shall provide a [bill of sale of] salvage *title* to the licensed automobile wrecker, dealer of new or used motor vehicles or rebuilder [on a form prescribed and supplied by the Department. The Department shall accept the bill of sale of salvage in lieu of the certificate of ownership or other evidence of title from the:

(a) Automobile wrecker, if the bill of sale of salvage is accompanied by an appropriate application for a salvage title; or

(b) Dealer of new or used motor vehicles or rebuilder when he licenses the vehicle for operation or transfers ownership of it, if the bill of sale of salvage is accompanied by an appropriate application, all other required documents and fees, and a certificate of inspection signed by an employee of the Department attesting to the mechanical fitness and safety of the vehicle. <u>3. The Department may issue to:</u>

(a) The licensed automobile wrecker;

(b) A licensed operator of a salvage pool;

(c) A dealer of new or used motor vehicles who is licensed in another state or foreign country and is registered with a salvage pool; or

(d) An automobile wrecker or dismantler who is licensed in another state or foreign country and is registered with a salvage pool,

a salvage title that contains a brief description of the vehicle, including, insofar as data may exist with respect to the vehicle, the make, type, serial number and motor number, or any other number of the vehicle. Except as otherwise provided in this subsection, the Department shall charge and collect a fee of \$10 for the issuance of a salvage title pursuant to this subsection. The Department shall not charge such a fee for the issuance of a salvage title to an automobile wrecker licensed in this state. Fees collected by the Department pursuant to this subsection must be deposited with the State Treasurer to the credit of the Account for Regulation of Salvage Pools, Automobile Wreckers, Body Shops and Garages. Possession of a salvage title does not entitle a person to dismantle, scrap, process or wreck any vehicle in this state unless the person holds a license issued pursuant to NRS 487.050.] who purchased the vehicle.

Sec. 34. NRS 487.530 is hereby amended to read as follows:

487.530 As used in NRS 487.530 to 487.570, inclusive, *and sections 17, 18 and 19 of this act,* unless the context otherwise requires, the words and terms defined in NRS 487.535 to 487.550, inclusive, have the meanings ascribed to them in those sections.

**Sec. 35.** NRS 487.650 is hereby amended to read as follows:

487.650 1. The Department may refuse to issue a license or, after notice and hearing, may suspend, revoke or refuse to renew a license to operate a body shop upon any of the following grounds:

(a) Failure of the applicant or licensee to have or maintain an established place of business in this state.

(b) Conviction of the [operator] applicant or licensee or an employee of the applicant or licensee of a felony, or of a misdemeanor or gross misdemeanor for a violation of a provision of this chapter.

(c) Any material misstatement in the application for the license.

(d) Willful failure of the applicant or [operator] licensee to comply with the motor vehicle laws of this state [,] and NRS 487.035, 487.610 to 487.690, inclusive, or 597.480 to 597.590, inclusive.

(e) Failure or refusal by the licensee to pay or otherwise discharge any final judgment against him arising out of the operation of the body shop.

(f) Failure or refusal to provide to the Department an authorization for the disclosure of financial records for the business as required pursuant to subsection 2.

(g) A finding of guilt by a court of competent jurisdiction in a case involving a fraudulent inspection, purchase, sale or transfer of a salvage vehicle by the applicant or licensee or an employee of the applicant or licensee.

 $(\hat{h})$  An improper, careless or negligent inspection of a salvage vehicle pursuant to NRS 487.110 by the applicant or licensee or an employee of the applicant or licensee.

(i) A false statement of material fact in a certification of a salvage vehicle pursuant to NRS 487.110 or a record regarding a salvage vehicle by the applicant or licensee or an employee of the applicant or licensee.

2. Upon the receipt of any report or complaint alleging that an applicant or a licensee has engaged in financial misconduct or has failed to satisfy financial obligations related to the operation of a body shop, the Department may require the applicant or licensee to submit to the Department an authorization for the disclosure of financial records for the business as provided in NRS 239A.090. The Department may use any information obtained pursuant to such an authorization only to determine the suitability of the applicant or licensee for initial or continued licensure. Information obtained pursuant to such an authorization may be disclosed only to those employees of the Department who are authorized to issue a license to an applicant pursuant to NRS 487.610 to 487.690, inclusive, or to determine the suitability of an applicant or a licensee for such licensure.

3. As used in this section, "salvage vehicle" has the meaning ascribed to it in section 9 of this act.

Sec. 36. NRS 487.130 is hereby repealed.

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