

SENATE BILL NO. 212—COMMITTEE ON TRANSPORTATION
(ON BEHALF OF THE DEPARTMENT OF MOTOR VEHICLES)

FEBRUARY 26, 2003

Referred to Committee on Transportation

SUMMARY—Revises provisions governing salvage vehicles.
(BDR 43-585)

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

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to salvage vehicles; revising the definition of “total loss vehicle”; revising provisions relating to ownership documents and salvage title required for the sale of total loss vehicles; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 487.045 is hereby amended to read as follows:
- 2 487.045 As used in NRS 487.045 to 487.200, inclusive, “total
- 3 loss vehicle” means a vehicle:
- 4 1. Of a type which is subject to registration; *and*
- 5 2. Which has been wrecked, destroyed or otherwise damaged
- 6 to such an extent that the owner ~~[]~~ *of the vehicle, a* leasing
- 7 company ~~[]~~ *or* financial institution *having a security interest in the*
- 8 *vehicle, or [the] an* insurance company that ~~[insured the vehicle~~
- 9 ~~considers it]~~ *satisfied an action or a claim concerning the vehicle*
- 10 *determines that the vehicle is* uneconomical to repair . ~~[the~~
- 11 ~~vehicle; and~~
- 12 ~~—3. Because of that wreckage, destruction or other damage,~~
- 13 ~~which is not repaired by or for the person who owned the vehicle at~~
- 14 ~~the time of the event resulting in the damage.]~~



1 **Sec. 2.** NRS 487.110 is hereby amended to read as follows:
2 487.110 1. Except as otherwise provided in subsection 2,
3 ~~{whenever}~~ *if* a vehicle subject to registration is sold as salvage:
4 (a) As a result of a total loss insurance settlement, the insurance
5 company or its authorized agent shall forward the endorsed
6 ~~{ownership}~~ certificate *of ownership* or other evidence of title *and a*
7 *completed application for a salvage title* to the state agency within
8 30 days after receipt thereof; or
9 (b) Because the owner determines that the vehicle is a total loss
10 vehicle, the owner shall forward the ~~{ownership}~~ certificate *of*
11 *ownership* or other evidence of title *and a completed application*
12 *for a salvage title* to the state agency within 120 days after the
13 vehicle is damaged.
14 2. The insurance company or its authorized agent may sell a
15 vehicle for which a total loss settlement has been made with the
16 properly endorsed ~~{ownership}~~ certificate *of ownership* or other
17 evidence of title if the total loss settlement resulted from the theft of
18 the vehicle and the vehicle, when recovered, was not damaged to the
19 extent that it was required to be rebuilt. An owner who has
20 determined that a vehicle is a total loss vehicle may sell the vehicle
21 with the properly endorsed ~~{ownership certificate or other evidence~~
22 ~~{}~~ *salvage title obtained in accordance with subsection 1* to a
23 salvage pool, automobile auction, rebuilder, automobile wrecker, or
24 a new or used motor vehicle dealer.
25 3. ~~{Upon the sale of the salvage vehicle, the insurance~~
26 ~~company, salvage pool, automobile auction, leasing company or~~
27 ~~financial institution which sells the salvage vehicle shall issue a bill~~
28 ~~of sale of salvage to the purchaser on a form to be prescribed and~~
29 ~~supplied by the state agency. The state agency shall accept the bill~~
30 ~~of sale of salvage in lieu of the ownership certificate or other~~
31 ~~evidence of title when accompanied by an appropriate application or~~
32 ~~other documents and fees.~~
33 ~~—4.~~ When the salvage vehicle is rebuilt and to be restored to
34 operation, the vehicle may not be licensed for operation or the
35 ownership thereof transferred until there is submitted to the state
36 agency, *together* with the ~~{prescribed bill of sale of}~~ *salvage title*,
37 an appropriate application, other documents and fees required, and a
38 certificate of inspection signed by an employee of the state agency
39 attesting to its mechanical fitness and safety.
40 ~~{5.}~~ 4. When a total loss insurance settlement between the
41 insurance company and ~~{its insured}~~ *any person, including, without*
42 *limitation, the insured, a business, a financial institution or a*
43 *lienholder*, results in the retention of the salvage vehicle by ~~{the~~
44 ~~insured,}~~ *that person*, the insurance company or its authorized agent
45 shall, within 30 days after the date of settlement, notify the state



1 agency of the retention ~~[by its insured]~~ *of the salvage vehicle* upon a
2 form to be supplied by the state agency.

3 **Sec. 3.** NRS 487.120 is hereby amended to read as follows:
4 487.120 1. *An application for a salvage title must be*
5 *accompanied by a properly endorsed certificate of ownership and*
6 *registration last issued for the vehicle.*

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

14 ~~[2.]~~ 3. No duplicate certificate of ownership or registration
15 may be issued when a salvage title is applied for, and no fees are
16 required for the affidavits of any stolen, lost or damaged certificate,
17 or duplicates thereof, unless the vehicle is subsequently registered.

18 **Sec. 4.** NRS 487.185 is hereby amended to read as follows:
19 487.185 1. A person shall not remove a total loss vehicle
20 from this state for the purpose of selling that vehicle unless the
21 ~~[ownership]~~ certificate *of ownership* or other evidence of title *and a*
22 *completed application for a salvage title* has been forwarded to the
23 state agency pursuant to paragraph (b) of subsection 1 of
24 NRS 487.110.

25 2. A person who violates the provisions of this section:
26 (a) If the value of the vehicle removed from this state is less than
27 \$250, is guilty of a misdemeanor.

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

30 **Sec. 5.** NRS 487.480 is hereby amended to read as follows:
31 487.480 1. Before an operator of a salvage pool sells any
32 vehicle subject to registration pursuant to the laws of this state, he
33 must have in his possession the certificate of ownership or a ~~[bill of~~
34 ~~sale of]~~ salvage *title* for that vehicle. ~~[He]~~ *The operator* shall, within
35 10 days after completion of the transaction, forward the certificate
36 of ownership or ~~[bill of sale of]~~ salvage *title* to the Department. The
37 Department shall not issue a certificate of registration or certificate
38 of ownership for a vehicle with the same identification number if the
39 vehicle was manufactured in the 5 years preceding the date on
40 which the operator forwards the certificates to the Department,
41 unless the Department authorizes the restoration of the vehicle
42 pursuant to subsection 2 of NRS 482.553.

43 2. Upon sale of the vehicle, the operator of the salvage pool
44 shall provide a ~~[bill of sale of]~~ salvage *title for the vehicle* to the
45 licensed automobile wrecker, dealer of new or used motor vehicles ,



1 or rebuilder . ~~for a form prescribed and supplied by the Department.~~
2 ~~The Department shall accept the bill of sale of salvage in lieu of the~~
3 ~~certificate of ownership or other evidence of title from the:~~
4 ~~—(a) Automobile wrecker, if the bill of sale of salvage is~~
5 ~~accompanied by an appropriate application for a salvage title; or~~
6 ~~—(b) Dealer of new or used motor vehicles or rebuilder when he~~
7 ~~licenses the vehicle for operation or transfers ownership of it, if the~~
8 ~~bill of sale of salvage is accompanied by an appropriate application,~~
9 ~~all other required documents and fees, and a certificate of inspection~~
10 ~~signed by an employee of the Department attesting to the~~
11 ~~mechanical fitness and safety of the vehicle.]~~

- 12 3. The Department may issue to:
- 13 (a) The licensed automobile wrecker;
 - 14 (b) A licensed operator of a salvage pool;
 - 15 (c) A dealer of new or used motor vehicles who is licensed in
16 another state or foreign country and is registered with a salvage
17 pool; ~~or~~
 - 18 (d) An automobile wrecker or dismantler who is licensed in
19 another state or foreign country and is registered with a salvage pool
20 ~~or~~; *or*
 - 21 *(e) A person who declares his vehicle to be a total loss vehicle*
22 *and who has complied with paragraph (b) of subsection 1 of*
23 *NRS 487.110,*

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

38 **Sec. 6.** This act becomes effective upon passage and approval.

