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SENATE BILL NO. 360—COMMITTEE ON ENERGY,  
INFRASTRUCTURE AND TRANSPORTATION

MARCH 23, 2009

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Referred to Committee on Energy, Infrastructure and Transportation

**SUMMARY**—Revises provisions governing the sale and title of salvaged vehicles. (BDR 43-1244)

**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: No.

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

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AN ACT relating to vehicles; authorizing a person other than an automobile wrecker, dealer of new or used motor vehicles or rebuilder to obtain an identifying card and bid to purchase a vehicle other than a nonrepairable vehicle from the operator of a salvage pool; imposing a fee for the issuance of such a card; increasing the period within which an insurance company or its authorized agent must submit an application for a salvage title or nonrepairable vehicle certificate for a salvage vehicle; providing a penalty; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law provides that only a licensed automobile wrecker, dealer of new or  
2 used motor vehicles or rebuilder may bid to purchase a vehicle from the operator of  
3 a salvage pool. (NRS 487.470) **Section 5** of this bill authorizes a person other than  
4 an automobile wrecker, dealer of new or used motor vehicles or rebuilder to bid to  
5 purchase a vehicle other than a nonrepairable vehicle from the operator of a salvage  
6 pool. **Section 2** of this bill requires such a person, before he bids to purchase a  
7 salvage vehicle, to obtain an identifying card which must contain the person's name  
8 and signature, personal address, business name and address, if applicable, and  
9 picture. **Section 2** requires the Department of Motor Vehicles to charge a fee of \$50  
10 for the issuance of each card. A card expires on December 31 of the year in which  
11 it is issued but may be renewed upon application and payment of a renewal fee of  
12 \$25. The fees collected by the Department from the issuance of the cards must be  
13 deposited with the State Treasurer for credit to the Motor Vehicle Fund. **Section 10**



\* S B 3 6 0 \*

14 of this bill provides that any person who violates the provisions of **section 2** is  
15 guilty of a misdemeanor. (NRS 487.510)

16 **Section 11** of this bill increases from 60 to 180 days the period within which an  
17 insurance company or its authorized agent is required to submit an application for a  
18 salvage title or nonrepairable vehicle certificate for a salvage vehicle to the  
19 Department of Motor Vehicles. (NRS 487.800)

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

1 **Section 1.** NRS 482.31776 is hereby amended to read as  
2 follows:

3 482.31776 1. A consignee of a vehicle shall, upon entering  
4 into a consignment contract or other form of agreement to sell a  
5 vehicle owned by another person:

6 (a) Open and maintain a separate trust account in a federally  
7 insured bank or savings and loan association that is located in this  
8 State, into which the consignee shall deposit all money received  
9 from a prospective buyer as a deposit, or as partial or full payment  
10 of the purchase price agreed upon, toward the purchase or transfer  
11 of interest in the vehicle. A consignee of a vehicle shall not:

12 (1) Commingle the money in the trust account with any other  
13 money that is not on deposit or otherwise maintained toward the  
14 purchase of the vehicle subject to the consignment contract or  
15 agreement; or

16 (2) Use any money in the trust account to pay his operational  
17 expenses for any purpose that is not related to the consignment  
18 contract or agreement.

19 (b) Obtain from the consignor, before receiving delivery of the  
20 vehicle, a signed and dated disclosure statement that is included in  
21 the consignment contract and provides in at least 10-point bold type  
22 or font:

23  
24 **IMPORTANT NOTICE TO VEHICLE OWNERS**

25  
26 State law (NRS 482.31776) requires that the operator of this  
27 business file a Uniform Commercial Code 1 (UCC1) form with the  
28 Office of the Secretary of State on your behalf to protect your  
29 interest in your vehicle. The form is required to protect your vehicle  
30 from forfeiture in the event that the operator of this business fails to  
31 meet his financial obligations to a third party holding a security  
32 interest in his inventory. The form must be filed by the operator of  
33 this business before he may take possession of your vehicle. If the  
34 form is not filed as required, **YOU MAY LOSE YOUR VEHICLE**



\* S B 3 6 0 \*

1 THROUGH NO FAULT OF YOUR OWN. For a copy of the UCC1  
2 form filed on your behalf or for more information, please contact:

3  
4 The Office of the Secretary of State of Nevada  
5 Uniform Commercial Code Division  
6 (775) 684-5708  
7

8 I understand and acknowledge the above disclosure.  
9

10 .....  
11 Consignee Signature Date  
12

13 (c) Assist the consignor in completing, with respect to the  
14 consignor's purchase-money security interest in the vehicle, a  
15 ~~financial~~ financing statement of the type described in subsection 5  
16 of NRS 104.9317 and shall file the ~~financial~~ financing statement  
17 with the Secretary of State on behalf of the consignor. If a consignee  
18 has previously granted to a third party a security interest with an  
19 after-acquired property clause in the consignee's inventory, the  
20 consignee additionally shall assist the consignor in sending an  
21 authenticated notification, as described in paragraph (b) of  
22 subsection 1 of NRS 104.9324, to each holder of a conflicting  
23 security interest. The consignee must not receive delivery of the  
24 vehicle until the consignee has:

25 (1) Filed the financing statement with the Secretary of State;  
26 and

27 (2) If applicable, assisted the consignor in sending an  
28 authenticated notification to each holder of a conflicting security  
29 interest.

30 2. Upon the sale or transfer of interest in the vehicle, the  
31 consignee shall forthwith:

32 (a) Satisfy or cause to be satisfied all outstanding security  
33 interests in the vehicle; and

34 (b) Satisfy the financial obligations due the consignor pursuant  
35 to the consignment contract.

36 3. Upon the receipt of money by delivery of cash, bank check  
37 or draft, or any other form of legal monetary exchange, or after any  
38 form of transfer of interest in a vehicle, the consignee shall notify  
39 the consignor that the money has been received or that a transfer of  
40 interest in the vehicle has occurred. Notification by the consignee to  
41 the consignor must be given in person or, in the absence of the  
42 consignor, by registered or certified mail addressed to the last  
43 address or residence of the consignor known to the consignee. The  
44 notification must be made within 3 business days after the date on



1 which the money is received or the transfer of interest in the vehicle  
2 is made.

3 4. The provisions of this section do not apply to:

4 (a) An executor;

5 (b) An administrator;

6 (c) A sheriff;

7 (d) A salvage pool subject to the provisions of NRS 487.400 to  
8 487.510, inclusive ~~§~~, *and section 2 of this act*; or

9 (e) Any other person who sells a vehicle pursuant to the powers  
10 or duties granted to or imposed on him by specific statute.

11 5. Notwithstanding any provision of NRS 482.423 to 482.4247,  
12 inclusive, to the contrary, a vehicle subject to a consignment  
13 contract may not be operated by the consignee, an employee or  
14 agent of the consignee, or a prospective buyer in accordance with  
15 NRS 482.423 to 482.4247, inclusive, by displaying a temporary  
16 placard to operate the vehicle unless the operation of the vehicle is  
17 authorized by the express written consent of the consignor.

18 6. A vehicle subject to a consignment contract may not be  
19 operated by the consignee, an employee or agent of the consignee,  
20 or a prospective buyer in accordance with NRS 482.320 by  
21 displaying a special plate unless the operation of the vehicle is  
22 authorized by the express written consent of the consignor.

23 7. A consignee shall maintain a written log for each vehicle for  
24 which he has entered into a consignment contract. The written log  
25 must include:

26 (a) The name and address, or place of residence, of the  
27 consignor;

28 (b) A description of the vehicle consigned, including the year,  
29 make, model and serial or identification number of the vehicle;

30 (c) The date on which the consignment contract is entered into;

31 (d) The period that the vehicle is to be consigned;

32 (e) The minimum agreed upon sales price for the vehicle;

33 (f) The approximate amount of money due any lienholder or  
34 other person known to have an interest in the vehicle;

35 (g) If the vehicle is sold, the date on which the vehicle is sold;

36 (h) The date that the money due the consignor and the lienholder  
37 was paid;

38 (i) The name and address of the federally insured bank or  
39 savings and loan association in which the consignee opened the trust  
40 account required pursuant to subsection 1; and

41 (j) The signature of the consignor acknowledging that the terms  
42 of the consignment contract were fulfilled or terminated, as  
43 appropriate.



1 8. A person who:

2 (a) Appropriates, diverts or otherwise converts to his own use  
3 money in a trust account opened pursuant to paragraph (a) of  
4 subsection 1 or otherwise subject to a consignment contract or  
5 agreement is guilty of embezzlement and shall be punished in  
6 accordance with NRS 205.300. The court shall, in addition to any  
7 other penalty, order the person to pay restitution.

8 (b) Violates paragraphs (b) or (c) of subsection 1 is guilty of a  
9 misdemeanor. The court shall, in addition to any other penalty, order  
10 the person to pay restitution.

11 (c) Violates any other provision of this section is guilty of a  
12 misdemeanor.

13 **Sec. 2.** Chapter 487 of NRS is hereby amended by adding  
14 thereto a new section to read as follows:

15 *1. An identifying card authorizing a person other than a*  
16 *licensed automobile wrecker, dealer of new or used motor vehicles*  
17 *or rebuilder to bid to purchase a vehicle other than a*  
18 *nonrepairable vehicle from an operator of a salvage pool must*  
19 *contain the person's:*

20 (a) *Name and signature;*

21 (b) *Personal address;*

22 (c) *Business name, if applicable;*

23 (d) *Business address, if applicable; and*

24 (e) *Picture.*

25 *2. The Department shall charge a fee of \$50 for each*  
26 *identifying card issued in accordance with this section.*

27 *3. An identifying card issued in accordance with this section*  
28 *expires on December 31 of the year in which it is issued. The*  
29 *person must submit to the Department an application for renewal*  
30 *accompanied by a renewal fee of \$25. The application must be*  
31 *made on a form provided by the Department and contain such*  
32 *information as the Department requires.*

33 *4. Fees collected by the Department pursuant to this section*  
34 *must be deposited with the State Treasurer for credit to the Motor*  
35 *Vehicle Fund.*

36 **Sec. 3.** NRS 487.400 is hereby amended to read as follows:

37 487.400 As used in NRS 487.400 to 487.510, inclusive **[ ]** ,  
38 *and section 2 of this act:*

39 1. "Identifying card" means a card:

40 (a) Authorizing the holder to bid for the purchase of vehicles  
41 from the operator of a salvage pool; and

42 (b) Containing the information required by NRS 487.070 or  
43 487.475 **[ ]** *or section 2 of this act.*

44 2. "Salvage pool" means a business which obtains motor  
45 vehicles from:



1 (a) Insurers and self-insurers for sale on consignment or as an  
2 agent for the insurer or self-insurer if the vehicles are acquired by  
3 the insurer or self-insurer as the result of a settlement for insurance;  
4 or

5 (b) Licensed vehicle dealers, rebuilders, lessors or wreckers for  
6 sale on consignment.

7 **Sec. 4.** NRS 487.420 is hereby amended to read as follows:

8 487.420 1. No applicant may be granted a license to operate a  
9 salvage pool until he has procured and filed with the Department a  
10 good and sufficient bond in the amount of \$50,000, with a corporate  
11 surety thereon licensed to do business in the State of Nevada,  
12 approved as to form by the Attorney General, and conditioned that  
13 the applicant conducts his business as an operator of a salvage pool  
14 without fraud or fraudulent representation, and without violation of  
15 the provisions of NRS 487.400 to 487.510, inclusive, **H**, and  
16 **section 2 of this act**. The Department may, by agreement with any  
17 operator of a salvage pool who has been licensed by the Department  
18 for 5 years or more, allow a reduction in the amount of his bond, if  
19 his business has been conducted satisfactorily for the preceding 5  
20 years, but no bond may be in an amount less than \$5,000.

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

24 3. The bond must provide that any person injured by the action  
25 of the operator of the salvage pool in violation of any of the  
26 provisions of NRS 487.400 to 487.510, inclusive, **and section 2 of**  
27 **this act** may apply to the Director for compensation from the bond.  
28 The Director, for good cause shown and after notice and opportunity  
29 for hearing, may determine the amount of compensation and the  
30 person to whom it is to be paid. The surety shall then make the  
31 payment.

32 4. In lieu of a bond an operator of a salvage pool may deposit  
33 with the Department, under the terms prescribed by the Department:

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

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

44 5. A deposit made pursuant to subsection 4 may be disbursed  
45 by the Director, for good cause shown and after notice and



1 opportunity for hearing, in an amount determined by him to  
2 compensate a person injured by an action of the licensee, or released  
3 upon receipt of:

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

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

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

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

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

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

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

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

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

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

33 **Sec. 5.** NRS 487.470 is hereby amended to read as follows:

34 487.470 1. ~~Only~~ *Except as otherwise provided in*  
35 *subsection 4, only* a licensed automobile wrecker, dealer of new or  
36 used motor vehicles or rebuilder *or a person who has been issued*  
37 *an identifying card described in section 2 of this act* may bid to  
38 purchase a vehicle from an operator of a salvage pool, and the  
39 operator may only sell a vehicle to such a person. An operator shall  
40 not accept a bid from:

41 (a) An automobile wrecker until:

42 (1) He presents the card issued by the Department pursuant  
43 to NRS 487.070 or other identifying card; or

44 (2) If he is licensed or otherwise authorized to operate as an  
45 automobile wrecker in another state or foreign country, he presents



1 evidence of that licensure or authorization and has registered with  
2 the operator pursuant to subsection 2; ~~or~~

3 (b) A dealer of new or used motor vehicles or a rebuilder until:

4 (1) He presents the card issued by the Department pursuant to  
5 NRS 487.475 or other identifying card; or

6 (2) If he is licensed or otherwise authorized to operate as a  
7 dealer of new or used motor vehicles or as a rebuilder in another  
8 state or foreign country, he presents evidence of that licensure or  
9 authorization and has registered with the operator pursuant to  
10 subsection 2 ~~or~~; or

11 (c) *A person who has been issued an identifying card described  
12 in section 2 of this act:*

13 (1) *For a nonrepairable vehicle; or*

14 (2) *For any other vehicle, until he presents the identifying  
15 card.*

16 2. Any automobile wrecker, dealer of new or used motor  
17 vehicles or rebuilder who is licensed or otherwise authorized to  
18 operate in another state or foreign country shall register with each  
19 operator of a salvage pool with whom he bids to purchase vehicles,  
20 by filing with the operator copies of his license or other form of  
21 authorization from the other state or country, and his driver's  
22 license, business license, certificate evidencing the filing of a bond,  
23 resale certificate and proof of social security or tax identification  
24 number, if such documentation is required for licensure in the other  
25 state or country. Each operator of a salvage pool shall keep such  
26 copies at his place of business and in a manner so that they are  
27 easily accessible and open to inspection by employees of the  
28 Department ~~[of Motor Vehicles]~~ and to officers of law enforcement  
29 agencies in this State.

30 3. *Each person who has been issued an identifying card  
31 described in section 2 of this act shall register with each operator  
32 of a salvage pool with whom he bids to purchase vehicles by filing  
33 with the operator copies of his driver's license, business license, if  
34 applicable, and proof of social security or tax identification  
35 number. Each operator of a salvage pool shall keep such copies at  
36 his place of business and in a manner so that they are easily  
37 accessible and open to inspection by employees of the Department  
38 and to officers of law enforcement agencies in this State.*

39 4. *A person who has been issued an identifying card  
40 described in section 2 of this act shall not bid on a nonrepairable  
41 vehicle.*

42 **Sec. 6.** NRS 487.480 is hereby amended to read as follows:

43 487.480 1. Before an operator of a salvage pool sells any  
44 vehicle subject to registration pursuant to the laws of this State, he  
45 must have in his possession the certificate of title for a vehicle





1 obtained pursuant to subsection 3 of NRS 487.800 or the salvage  
2 title for that vehicle. The Department shall not issue a certificate of  
3 registration or certificate of title for a vehicle with the same  
4 identification number if the vehicle was manufactured in the 5 years  
5 preceding the date on which the salvage title was issued, unless the  
6 Department authorizes the restoration of the vehicle pursuant to  
7 subsection 2 of NRS 482.553.

8 2. Upon sale of the vehicle, the operator of the salvage pool  
9 shall provide a salvage title to the licensed automobile wrecker,  
10 dealer of new or used motor vehicles or rebuilder *or other person*  
11 who purchased the vehicle.

12 **Sec. 7.** NRS 487.490 is hereby amended to read as follows:

13 487.490 1. The Department may refuse to issue a license or  
14 may suspend, revoke or refuse to renew a license of an operator of a  
15 salvage pool upon determining that the operator:

16 (a) Is not lawfully entitled to the license;

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

19 (c) Made a material misstatement in any application;

20 (d) Willfully fails to comply with any provision of NRS 487.400  
21 to 487.510, inclusive ~~§~~, *and section 2 of this act*;

22 (e) Fails to discharge any final judgment entered against him  
23 when the judgment arises out of any misrepresentation regarding a  
24 vehicle;

25 (f) Fails to maintain any license or bond required by a political  
26 subdivision of this State;

27 (g) Has been convicted of a felony;

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

30 (i) Fails or refuses to provide to the Department an authorization  
31 for the disclosure of financial records for the business as required  
32 pursuant to subsection 6; or

33 (j) Displays evidence of unfitness for a license pursuant to  
34 NRS 487.165.

35 2. The applicant or licensee may, within 30 days after receipt  
36 of the notice of refusal to grant or renew or the suspension or  
37 revocation of a license, petition the Department in writing for a  
38 hearing.

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

41 4. If an application for a license as an operator of a salvage  
42 pool is denied, the applicant may not submit another application for  
43 at least 6 months after the date of the denial.

44 5. The Department may refuse to review a subsequent  
45 application for licensing submitted by any person who violates any



1 provision of NRS 487.400 to 487.510, inclusive ~~§~~, *and section 2*  
2 *of this act.*

3 6. Upon the receipt of any report or complaint that an applicant  
4 or a licensee has engaged in financial misconduct or has failed to  
5 satisfy financial obligations related to the operation of a salvage  
6 pool, the Department may require the applicant or licensee to submit  
7 to the Department an authorization for the disclosure of financial  
8 records for the business as provided in NRS 239A.090. The  
9 Department may use any information obtained pursuant to such an  
10 authorization only to determine the suitability of the applicant or  
11 licensee for initial or continued licensure. Information obtained  
12 pursuant to such an authorization may be disclosed only to those  
13 employees of the Department who are authorized to issue a license  
14 to an applicant pursuant to NRS 487.400 to 487.510, inclusive, *and*  
15 *section 2 of this act* or to determine the suitability of an applicant or  
16 a licensee for such licensure.

17 7. For the purposes of this section, the failure to adhere to the  
18 directives of the Department advising the licensee of his  
19 noncompliance with any provision of NRS 487.400 to 487.510,  
20 inclusive, *and section 2 of this act* or regulations of the Department,  
21 within 10 days after the receipt of those directives, is prima facie  
22 evidence of willful failure to comply.

23 **Sec. 8.** NRS 487.497 is hereby amended to read as follows:

24 487.497 1. A person licensed to issue identifying cards shall  
25 maintain a record of all fees collected and identifying cards issued.

26 2. The record must contain:

27 (a) The name and signature of the licensed automobile wrecker,  
28 vehicle dealer or rebuilder *or other person* from whom fees were  
29 collected, the amount of fees collected and the number of  
30 identifying cards issued or renewed.

31 (b) ~~The~~ *For each identifying card issued to an automobile*  
32 *wrecker, vehicle dealer or rebuilder, the* business name, address  
33 and license number under which the automobile wrecker, vehicle  
34 dealer or rebuilder is licensed by the Department.

35 (c) A photograph of the natural person to whom the identifying  
36 card was issued.

37 3. The record must be open to inspection during regular  
38 business hours by any peace officer or investigator of the  
39 Department.

40 4. Upon request of the Department, a person licensed to issue  
41 identifying cards shall allow the Department, or a person designated  
42 by the Department, to conduct an audit of his records.

43 5. The records of the licensee must be maintained at the  
44 licensed location.



1     **Sec. 9.** NRS 487.500 is hereby amended to read as follows:

2     487.500 Every licensed operator of a salvage pool shall  
3 maintain a record of all vehicles he sells. The record must contain  
4 the name and address of the person from whom the vehicle was  
5 purchased or acquired and the date of the acquisition or purchase,  
6 the name and address of the automobile wrecker, dealer of new or  
7 used motor vehicles , ~~for~~ *rebuilder or other person* to whom the  
8 vehicle was sold and the date of the sale, the registration number last  
9 assigned to the vehicle and a brief description of the vehicle,  
10 including, insofar as the information exists with respect to a given  
11 vehicle, the make, type, serial number and motor number, or any  
12 other number of the vehicle. The record must be open to inspection  
13 during regular business hours by any peace officer or investigator of  
14 the Department.

15     **Sec. 10.** NRS 487.510 is hereby amended to read as follows:

16     487.510 Any person who violates any of the provisions of NRS  
17 487.400 to 487.500, inclusive, *and section 2 of this act* is guilty of a  
18 misdemeanor.

19     **Sec. 11.** NRS 487.800 is hereby amended to read as follows:

20     487.800 1. When an insurance company acquires a motor  
21 vehicle as a result of a settlement in which the motor vehicle is  
22 determined to be a salvage vehicle, the owner of the motor vehicle  
23 who is relinquishing ownership of the motor vehicle shall endorse  
24 the certificate of title of the motor vehicle and forward the endorsed  
25 certificate of title to the insurance company within 30 days after  
26 accepting the settlement from the insurance company. The insurance  
27 company or its authorized agent shall forward the endorsed  
28 certificate of title, together with an application for a salvage title or  
29 nonrepairable vehicle certificate, to the state agency within ~~60~~ *180*  
30 days after receipt of the endorsed certificate of title.

31     2. If the owner of the motor vehicle who is relinquishing  
32 ownership does not provide the endorsed certificate of title to the  
33 insurance company within 30 days after accepting the settlement  
34 pursuant to subsection 1, the insurance company shall, within ~~60~~  
35 *180* days after the expiration of that 30-day period, forward an  
36 application for a salvage title or nonrepairable vehicle certificate to  
37 the state agency. The state agency shall issue a salvage title or  
38 nonrepairable vehicle certificate to the insurance company for the  
39 vehicle upon receipt of:

40     (a) The application;

41     (b) A motor vehicle inspection certificate signed by a  
42 representative of the Department or, as one of the authorized agents  
43 of the Department, by a peace officer, dealer, rebuilder, automobile  
44 wrecker, operator of a salvage pool or garageman;



1 (c) Documentation that the insurance company has made at least  
2 two written attempts by certified mail, return receipt requested, or  
3 by use of a delivery service with a tracking system, to obtain the  
4 endorsed certificate of title; and

5 (d) Proof satisfactory to the state agency that the certificate of  
6 title was required to be surrendered to the insurance company as part  
7 of the settlement.

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

12 (a) If the person has possession of the certificate of title to the  
13 vehicle, shall forward the endorsed certificate of title, together with  
14 an application for salvage title to the state agency within 30 days  
15 after the vehicle becomes a salvage vehicle.

16 (b) If the person does not have possession of the certificate of  
17 title to the vehicle and the certificate of title is held by a lienholder,  
18 shall notify the lienholder within 10 days after the vehicle becomes  
19 a salvage vehicle that the vehicle has become a salvage vehicle. The  
20 lienholder shall, within 30 days after receiving such notice, forward  
21 the certificate of title, together with an application for salvage title,  
22 to the state agency.

23 4. An insurance company or its authorized agent may sell a  
24 vehicle for which a total loss settlement has been made with the  
25 properly endorsed certificate of title if the total loss settlement  
26 resulted from the theft of the vehicle and the vehicle, when  
27 recovered, was not a salvage vehicle.

28 5. An owner who has determined that a vehicle is a total loss  
29 salvage vehicle may sell the vehicle with the properly endorsed  
30 certificate of title obtained pursuant to this section, without making  
31 any repairs to the vehicle, to a salvage pool, automobile auction,  
32 rebuilder, automobile wrecker or a new or used motor vehicle  
33 dealer.

34 6. Except with respect to a nonrepairable vehicle, if a salvage  
35 vehicle is rebuilt and restored to operation, the vehicle may not be  
36 licensed for operation, displayed or offered for sale, or the  
37 ownership thereof transferred, until there is submitted to the state  
38 agency with the prescribed salvage title, an appropriate application,  
39 other documents, including, without limitation, an affidavit from the  
40 state agency attesting to the inspection and verification of the  
41 vehicle identification number and the identification numbers, if any,  
42 for parts used to repair the motor vehicle and fees required, together  
43 with a certificate of inspection completed pursuant to NRS 487.860.

44 7. Except with respect to a nonrepairable vehicle, if a total loss  
45 insurance settlement between an insurance company and any person



\* S B 3 6 0 \*

1 results in the retention of the salvage vehicle by that person, before  
2 the execution of the total loss settlement, the insurance company or  
3 its authorized agent shall:

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

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

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

11 8. If the state agency determines that a salvage vehicle retained  
12 pursuant to subsection 6 is titled in another state or territory of the  
13 United States, the state agency shall notify the appropriate authority  
14 of that state or territory that the owner has retained the salvage  
15 vehicle.

16 9. A person who retains a salvage vehicle pursuant to  
17 subsection 7 may not transfer any ownership interest in the vehicle  
18 unless he has received a salvage title.

30



\* S B 3 6 0 \*