ASSEMBLY BILL NO. 177-ASSEMBLYMAN YEAGER

FEBRUARY 18, 2019

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions governing short-term lessors of vehicles. (BDR 43-88)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Yes.

EXPLANATION - Matter in **bolded italics** is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to motor vehicles; requiring the Department of Motor Vehicles to establish a program to allow for registration and renewal of registration of certain fleets of vehicles owned by short-term lessors; allowing certificates of registration and license plate decals to continue to be valid without replacement in certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, applications for the registration of a vehicle must generally be made to the Department of Motor Vehicles in person, if practicable, and must be made upon an application form furnished by the Department. (NRS 482.215) Such registration is valid for a period of 12 consecutive months, except that the owner of a fleet of vehicles may register the fleet on the basis of a calendar year. (NRS 482.206) Upon registration and payment of all applicable registration and governmental services taxes, the Department issues a certificate of registration, which must be renewed upon the expiration of the registration period. (NRS 482.260, 482.280) Upon renewal the Department may issue one or more license plate stickers. (NRS 482.265)

Section 1 of this bill requires the Department to establish a vehicle registration program which allows a short-term lessor to register and renew the registration of a fleet of vehicles. The Department is required to issue to a vehicle registered in such a manner a permanent certificate of registration and a permanent decal for the license plate, which remain valid for as long as the short-term lessor continues to renew the registration and maintain the vehicle in the fleet. The Department must provide electronic notification to the short-term lessor of the renewal requirements for each vehicle in the fleet. A short-term lessor that participates in the fleet registration program must pay the annual renewal fees and governmental services taxes required for each vehicle registered in this State, and must notify the



10

11

12

13

14

15

16

17

18

19



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

- **Section 1.** Chapter 482 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The Department shall establish a vehicle registration program for short-term lessors that have a fleet of vehicles registered in this State to allow the short-term lessors which satisfy the requirements for eligibility established by the Department to submit to the Department:
- (a) Applications for initial registration of vehicles added to the fleet, which must include, without limitation, the information required by NRS 482.295.
- (b) Applications for the renewal of the registration of vehicles in the fleet, including, without limitation, the information required by NRS 482.295.
- (c) Payment of the registration fees and governmental services taxes due for the initial registration and renewal of vehicles in the fleet, including, without limitation, any sales or use tax due pursuant to NRS 482.225.
- 2. The Department shall issue for each vehicle in the fleet of a short-term lessor that is registered pursuant to this section a:
 - (a) Certificate of registration; and
- (b) Decal indicating the registration status of the vehicle pursuant to the program, which must be affixed to the license plate of each vehicle.
- 3. A certificate of registration and decal issued pursuant to this section are valid for the vehicle until the vehicle is no longer a part of the fleet of the short-term lessor, unless the short-term lessor fails to renew the registration. The short-term lessor must not be required to display on the license plate of a vehicle registered pursuant to this section the month and year on which the registration expires.
- 4. The Department shall provide to a short-term lessor that participates in the program established pursuant to subsection 1 electronic notice of the required renewal of registration for a vehicle in the fleet, which must be sent at least 30 days before payment is due. Notification sent pursuant to this subsection must include the information required pursuant to subsection 3 of NRS 482.280 for other renewals.
- 5. A short-term lessor that participates in the program established pursuant to subsection I must:



1 2



- (a) Pay annually the renewal fees and governmental services taxes required for each fleet vehicle registered in this State.
- (b) Upon removing a vehicle from the fleet, notify the Department.
- 6. Any vehicle having a declared gross weight in excess of 26,000 pounds is not eligible to be registered as part of a fleet pursuant to this section.
- 7. The Department shall adopt regulations necessary to carry out the provisions of this section. The regulations must include, without limitation, the number of vehicles that a short-term lessor must possess as part of the fleet to participate in the program.
 - **Sec. 2.** NRS 482.206 is hereby amended to read as follows:
- 482.206 1. Except as otherwise provided in this section and NRS 482.2065 [...] and section 1 of this act, every motor vehicle, except for a motor vehicle that is registered pursuant to the provisions of NRS 706.801 to 706.861, inclusive, and except for a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483 or a moped registered pursuant to NRS 482.2155, must be registered for a period of 12 consecutive months beginning the day after the first registration by the owner in this State.
- 2. Except as otherwise provided in subsections 7 and 8 and NRS 482.2065, every vehicle registered by an agent of the Department or a registered dealer must be registered for 12 consecutive months beginning the first day of the month after the first registration by the owner in this State.
- 3. Except as otherwise provided in subsection 7 and NRS 482.2065 [...] and section 1 of this act, a vehicle which must be registered through the Motor Carrier Division of the Department, or a motor vehicle which has a declared gross weight in excess of 26,000 pounds, must be registered for a period of 12 consecutive months beginning on the date established by the Department by regulation.
- 4. Upon the application of the owner of a fleet of vehicles, the Director may permit the owner to register the fleet on the basis of a calendar year.
- 5. Except as otherwise provided in subsections 3, 6, 7 and 8, when the registration of any vehicle is transferred pursuant to NRS 482.399, the expiration date of each regular license plate, special license plate or substitute decal must, at the time of the transfer of registration, be advanced for a period of 12 consecutive months beginning:
- (a) The first day of the month after the transfer, if the vehicle is transferred by an agent of the Department; or
 - (b) The day after the transfer in all other cases,





- → and a credit on the portion of the fee for registration and the governmental services tax attributable to the remainder of the current period of registration must be allowed pursuant to the applicable provisions of NRS 482.399.
- 6. When the registration of any trailer that is registered for a 3-year period pursuant to NRS 482.2065 is transferred pursuant to NRS 482.399, the expiration date of each license plate or substitute decal must, at the time of the transfer of the registration, be advanced, if applicable pursuant to NRS 482.2065, for a period of 3 consecutive years beginning:
- (a) The first day of the month after the transfer, if the trailer is transferred by an agent of the Department; or
 - (b) The day after the transfer in all other cases,
- → and a credit on the portion of the fee for registration and the governmental services tax attributable to the remainder of the current period of registration must be allowed pursuant to the applicable provisions of NRS 482.399.
- 7. A full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483 is registered until the date on which the owner of the full trailer or semitrailer:
 - (a) Transfers the ownership of the full trailer or semitrailer; or
- (b) Cancels the registration of the full trailer or semitrailer and surrenders the license plates to the Department.
- 8. A moped that is registered pursuant to NRS 482.2155 is registered until the date on which the owner of the moped:
 - (a) Transfers the ownership of the moped; or
- (b) Cancels the registration of the moped and surrenders the license plate to the Department.
 - **Sec. 3.** NRS 482.215 is hereby amended to read as follows:
- 482.215 1. Except as otherwise provided in NRS 482.2155 [,] and section 1 of this act, all applications for registration, except applications for renewal of registration, must be made as provided in this section.
- 2. Except as otherwise provided in NRS 482.294, applications for all registrations, except renewals of registration, must be made in person, if practicable, to any office or agent of the Department or to a registered dealer.
- 3. Each application must be made upon the appropriate form furnished by the Department and contain:
- 40 (a) The signature of the owner, except as otherwise provided in subsection 2 of NRS 482.294, if applicable.
 - (b) The owner's residential address.
 - (c) The owner's declaration of the county where he or she intends the vehicle to be based, unless the vehicle is deemed to have





no base. The Department shall use this declaration to determine the county to which the governmental services tax is to be paid.

- (d) A brief description of the vehicle to be registered, including the name of the maker, the engine, identification or serial number, whether new or used, and the last license number, if known, and the state in which it was issued, and upon the registration of a new vehicle, the date of sale by the manufacturer or franchised and licensed dealer in this State for the make to be registered to the person first purchasing or operating the vehicle.
- (e) Except as otherwise provided in this paragraph, if the applicant is not an owner of a fleet of vehicles or a person described in subsection 5:
- (1) Proof satisfactory to the Department or registered dealer that the applicant carries insurance on the vehicle provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State as required by NRS 485.185; and
- (2) A declaration signed by the applicant that he or she will maintain the insurance required by NRS 485.185 during the period of registration. If the application is submitted by electronic means pursuant to NRS 482.294, the applicant is not required to sign the declaration required by this subparagraph.
- (f) If the applicant is an owner of a fleet of vehicles or a person described in subsection 5, evidence of insurance provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State as required by NRS 485.185:
- (1) In the form of a certificate of insurance on a form approved by the Commissioner of Insurance;
- (2) In the form of a card issued pursuant to NRS 690B.023 which identifies the vehicle or the registered owner of the vehicle; or
- (3) In another form satisfactory to the Department, including, without limitation, an electronic format authorized by NRS 690B.023.
- → The Department may file that evidence, return it to the applicant or otherwise dispose of it.
- (g) If required, evidence of the applicant's compliance with controls over emission.
- (h) If the application for registration is submitted via the Internet, a statement which informs the applicant that he or she may make a nonrefundable monetary contribution of \$2 for each vehicle registered for the Complete Streets Program, if any, created pursuant to NRS 244.2643, 277A.285 or 403.575, as applicable, based on the declaration made pursuant to paragraph (c). The application form





must state in a clear and conspicuous manner that a contribution for a Complete Streets Program is nonrefundable and voluntary and is in addition to any fees required for registration, and must include a method by which the applicant must indicate his or her intention to opt in or opt out of making such a contribution.

- 4. The application must contain such other information as is required by the Department or registered dealer and must be accompanied by proof of ownership satisfactory to the Department.
- 5. For purposes of the evidence required by paragraph (f) of subsection 3:
- (a) Vehicles which are subject to the fee for a license and the requirements of registration of the Interstate Highway User Fee Apportionment Act, and which are based in this State, may be declared as a fleet by the registered owner thereof on his or her original application for or application for renewal of a proportional registration. The owner may file a single certificate of insurance covering that fleet.
- (b) Other fleets composed of 10 or more vehicles based in this State or vehicles insured under a blanket policy which does not identify individual vehicles may each be declared annually as a fleet by the registered owner thereof for the purposes of an application for his or her original or any renewed registration. The owner may file a single certificate of insurance covering that fleet.
- (c) A person who qualifies as a self-insurer pursuant to the provisions of NRS 485.380 may file a copy of his or her certificate of self-insurance.
- (d) A person who qualifies for an operator's policy of liability insurance pursuant to the provisions of NRS 485.186 and 485.3091 may file or provide electronic evidence of that insurance.
 - **Sec. 4.** NRS 482.240 is hereby amended to read as follows:
- 482.240 1. [Upon] Except as otherwise provided in section 1 of this act, upon the registration of a vehicle, the Department or a registered dealer shall issue a certificate of registration to the owner.
- 2. When an applicant for registration or transfer of registration is unable, for any reason, to submit to the Department in support of the application for registration, or transfer of registration, such documentary evidence of legal ownership as, in the opinion of the Department, is sufficient to establish the legal ownership of the vehicle concerned in the application for registration or transfer of registration, the Department may issue to the applicant only a certificate of registration.
- 3. The Department may, upon proof of ownership satisfactory to it or pursuant to NRS 482.2605, issue a certificate of title before the registration of the vehicle concerned. The certificate of registration issued pursuant to this chapter is valid only during the





registration period or calendar year for which it is issued, and a certificate of title is valid until cancelled by the Department upon the transfer of interest therein.

- **Sec. 5.** NRS 482.260 is hereby amended to read as follows:
- 482.260 1. When registering a vehicle, the Department and its agents or a registered dealer shall:
- (a) Collect the fees for license plates and registration as provided for in this chapter.
- (b) Collect the governmental services tax on the vehicle, as agent for the State and for the county where the applicant intends to base the vehicle for the period of registration, unless the vehicle is deemed to have no base.
- (c) Collect the applicable taxes imposed pursuant to chapters 372, 374, 377 and 377A of NRS.
- (d) [Issue] Except as otherwise provided in section 1 of this act, issue a certificate of registration.
- (e) If the registration is performed by the Department, issue the regular license plate or plates.
- (f) If the registration is performed by a registered dealer, provide information to the owner regarding the manner in which the regular license plate or plates will be made available to the owner.
- 2. Upon proof of ownership satisfactory to the Director or as otherwise provided in NRS 482.2605, the Director shall cause to be issued a certificate of title as provided in this chapter.
- 3. Except as otherwise provided in NRS 371.070 and subsections 6, 7 and 8, every vehicle being registered for the first time in Nevada must be taxed for the purposes of the governmental services tax for a 12-month period.
- 4. The Department shall deduct and withhold 2 percent of the taxes collected pursuant to paragraph (c) of subsection 1 and remit the remainder to the Department of Taxation.
- 5. A registered dealer shall forward all fees and taxes collected for the registration of vehicles to the Department.
- 6. A trailer being registered pursuant to NRS 482.2065 must be taxed for the purposes of the governmental services tax for a 3-year period.
- 7. A full trailer or semitrailer being registered pursuant to subsection 3 of NRS 482.483 must be taxed for the purposes of the governmental services tax in the amount of \$86. The governmental services tax paid pursuant to this subsection is nontransferable and nonrefundable.
- 8. A moped being registered pursuant to NRS 482.2155 must be taxed for the purposes of the governmental services tax for only the 12-month period following the registration. The governmental





services tax paid pursuant to this subsection is nontransferable and nonrefundable.

Sec. 6. NRS 482.265 is hereby amended to read as follows:

- 482.265 1. The Department shall furnish to every owner whose vehicle is registered two license plates for a motor vehicle other than a motorcycle or moped and one license plate for all other vehicles required to be registered hereunder. Except as otherwise provided in NRS 482.2155 [...] and section 1 of this act, upon renewal of registration, the Department may issue one or more license plate stickers, tabs or other suitable devices in lieu of new license plates.
- 2. Except as otherwise provided in NRS 482.2065, 482.266, 482.2705, 482.274, 482.379 and 482.37091, every 8 years the Department shall reissue a license plate or plates at the time of renewal of each license plate or plates issued pursuant to this chapter. The Director may adopt regulations to provide procedures for such reissuance.
- 3. The Director shall have the authority to require the return to the Department of all number plates upon termination of the lawful use thereof by the owner under this chapter.
- 4. Except as otherwise specifically provided by statute, for the issuance of each special license plate authorized pursuant to this chapter:
- (a) The fee to be received by the Department for the initial issuance of the special license plate is \$35, exclusive of any additional fee which may be added to generate funds for a particular cause or charitable organization;
- (b) The fee to be received by the Department for the renewal of the special license plate is \$10, exclusive of any additional fee which may be added to generate financial support for a particular cause or charitable organization; and
- (c) The Department shall not design, prepare or issue a special license plate unless, within 4 years after the date on which the measure authorizing the issuance becomes effective, it receives at least 250 applications for the issuance of that plate.
- 5. The provisions of subsection 4 do not apply to NRS 482.37901.
 - **Sec. 7.** NRS 482.270 is hereby amended to read as follows:
 - 482.270 1. Except as otherwise provided in this section or by specific statute, the Director shall order the redesign and preparation of motor vehicle license plates.
 - 2. Except as otherwise provided in subsection 3, the Department may, upon the payment of all applicable fees, issue redesigned motor vehicle license plates.





- 3. The Department shall not issue redesigned motor vehicle license plates pursuant to this section to a person who was issued motor vehicle license plates before January 1, 1982, or pursuant to NRS 482.2155, 482.3747, 482.3763, 482.3783, 482.379 or 482.37901, without the approval of the person.
- 4. The Director may determine and vary the size, shape and form and the material of which license plates are made, but each license plate must be of sufficient size to be plainly readable from a distance of 100 feet during daylight. All license plates must be treated to reflect light and to be at least 100 times brighter than conventional painted number plates. When properly mounted on an unlighted vehicle, the license plates, when viewed from a vehicle equipped with standard headlights, must be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet.
 - 5. Every license plate must have displayed upon it:
- (a) The registration number, or combination of letters and numbers, assigned to the vehicle and to the owner thereof;
 - (b) The name of this State, which may be abbreviated;
 - (c) If issued for a calendar year, the year; and
- (d) [If] Except as otherwise provided in section 1 of this act, if issued for a registration period other than a calendar year, the month and year the registration expires.
- 6. Each special license plate that is designed, prepared and issued pursuant to NRS 482.367002 must be designed and prepared in such a manner that:
- (a) The left-hand one-third of the plate is the only part of the plate on which is displayed any design or other insignia that is suggested pursuant to paragraph (g) of subsection 2 of that section; and
- (b) The remainder of the plate conforms to the requirements for lettering and design that are set forth in this section.
 - **Sec. 8.** NRS 482.280 is hereby amended to read as follows:
- 482.280 1. Except as otherwise provided in NRS 482.2155, the registration of every vehicle expires at midnight on the day specified on the receipt of registration, unless the day specified falls on a Saturday, Sunday or legal holiday. If the day specified on the receipt of registration is a Saturday, Sunday or legal holiday, the registration of the vehicle expires at midnight on the next judicial day. [The] Except as otherwise provided in section 1 of this act, the Department shall mail to each holder of a certificate of registration a notification for renewal of registration for the following period of registration. The notifications must be mailed by the Department in sufficient time to allow all applicants to mail the notifications to the Department or to renew the certificate of registration at a kiosk or





authorized inspection station or via the Internet or an interactive response system and to receive new certificates of registration and license plates, stickers, tabs or other suitable devices by mail before the expiration of their registrations. An applicant may present or submit the notification to any agent or office of the Department.

2. A notification:

- (a) Mailed or presented to the Department or to a county assessor pursuant to the provisions of this section;
 - (b) Submitted to the Department pursuant to NRS 482.294; or
- (c) Presented to an authorized inspection station or authorized station pursuant to the provisions of NRS 482.281,
- → must include, if required, evidence of compliance with standards for the control of emissions.
- 3. The Department shall include with each notification mailed pursuant to subsection 1:
- (a) The amount of the governmental services tax to be collected pursuant to the provisions of NRS 482.260.
- (b) The amount set forth in a notice of nonpayment filed with the Department by a local authority pursuant to NRS 484B.527.
 - (c) A statement which informs the applicant:
- (1) That, pursuant to NRS 485.185, the applicant is legally required to maintain insurance during the period in which the motor vehicle is registered which must be provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State; and
- (2) Of any other applicable requirements set forth in chapter 485 of NRS and any regulations adopted pursuant thereto.
- (d) A statement which informs the applicant that, if the applicant renews a certificate of registration at a kiosk or via the Internet, he or she may make a nonrefundable monetary contribution of \$2 for each vehicle registration renewed for the Complete Streets Program, if any, created pursuant to NRS 244.2643, 277A.285 or 403.575, as applicable, based on the declaration made pursuant to paragraph (c) of subsection 3 of NRS 482.215. The notification must state in a clear and conspicuous manner that a contribution for a Complete Streets Program is nonrefundable and voluntary and is in addition to any fees required for registration.
- (e) Any amount due for reissuance of a license plate or a plate reissued pursuant to subsection 2 of NRS 482.265, if applicable.
- 4. An application for renewal of a certificate of registration submitted at a kiosk or via the Internet must include a statement which informs the applicant that he or she may make a nonrefundable monetary contribution of \$2, for each vehicle registration which is renewed at a kiosk or via the Internet, for the Complete Streets Program, if any, created pursuant to





- NRS 244.2643, 277A.285 or 403.575, as applicable, based on the declaration made pursuant to paragraph (c) of subsection 3 of NRS 482.215. The application must state in a clear and conspicuous manner that a contribution for a Complete Streets Program is nonrefundable and voluntary and is in addition to any fees required for registration, and must include a method by which the applicant must indicate his or her intention to opt in or opt out of making such a contribution.
 - 5. Except as otherwise provided in NRS 482.2918, an owner who has made proper application for renewal of registration before the expiration of the current registration but who has not received the license plate or plates or card of registration for the ensuing period of registration is entitled to operate or permit the operation of that vehicle upon the highways upon displaying thereon the license plate or plates issued for the preceding period of registration for such a time as may be prescribed by the Department as it may find necessary for the issuance of the new plate or plates or card of registration.
 - **Sec. 9.** (Deleted by amendment.)
 - **Sec. 10.** The Department of Motor Vehicles:
 - 1. Shall adopt the regulations required by section 1 of this act as soon as practicable, but in any case not later than January 1, 2021.
 - 2. Shall, in adopting the regulations required by section 1 of this act, require a short-term lessor to have at least 200 vehicles in its fleet of vehicles to participate in the vehicle registration program established pursuant to section 1 of this act, except that the Department may, any time after July 1, 2021, require fewer vehicles if it is determined appropriate by the Department.
 - **Sec. 11.** This act becomes effective:
 - 1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
 - 2. On January 1, 2021, for all other purposes.





