ASSEMBLY BILL NO. 57—COMMITTEE ON GROWTH AND INFRASTRUCTURE

(ON BEHALF OF THE DEPARTMENT OF MOTOR VEHICLES)

PREFILED NOVEMBER 16, 2022

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises various provisions relating to motor vehicles. (BDR 9-274)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: No.

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

AN ACT relating to motor vehicles; revising provisions relating to a lien on a motor vehicle; revising the date by which the Director of the Department of Motor Vehicles is required to submit certain reports concerning garages, garage operators and body shops; repealing provisions relating to special license plates issued to honorary consuls of foreign countries; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, certain persons who store, maintain, keep, repair or furnish facilities or services for certain vehicles have a lien on such vehicles. (NRS 108.265-108.367) Existing law authorizes a person who has such a lien to satisfy the lien by selling the vehicle at an auction held at or near the place where the lien was acquired. Section 1 of this bill provides that, if a person who has such a lien is unable to sell the vehicle at a public auction for the fair market value of the vehicle, the person may satisfy the lien by selling the vehicle by private sale directly to a third-party purchaser in an arm's length transaction. Section 1 also removes the requirement that a sale must be held at or near the place where the lien was acquired.

On November 16, 2021, the United States Department of State issued a notice indicating that it is the preference of the Office of Foreign Missions of the United States Department of State that states cease issuing special license plates to honorary consular officers. (United States Department of State, "Cessation of Honorary Consul License Plates," November 16, 2021) In accordance with that notice, **section 7** of this bill repeals provisions of existing law which provide for the issuance of special license plates to a person appointed as an honorary consul of a



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foreign country, thereby terminating the production and distribution of such plates. (NRS 482.3675) **Sections 2 and 3** of this bill make conforming changes by eliminating references to the repealed section.

Existing law requires the Director of the Department of Motor Vehicles to prepare and submit an annual report concerning garages, garage operators and body shops to the Legislative Commission or Legislature, as appropriate, on or before January 1 of each year. (NRS 487.557) **Section 4** of this bill instead requires the Director to submit this report on or before February 1 of each year. **Section 4** also updates references to the standing committees to whom the report will be transmitted.

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

- **Section 1.** NRS 108.310 is hereby amended to read as follows: 108.310 Subject to the provisions of NRS 108.2723 and 108.315, the lien created in NRS 108.270 to 108.367, inclusive, may be satisfied as follows:
- 1. The lien claimant shall give written notice to the person on whose account the storing, maintaining, keeping, repairing, labor, fuel, supplies, facilities, services or accessories were made, done or given, and to any other person known to have or to claim an interest in the motor vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home, upon which the lien is asserted, and to the:
- (a) Housing Division of the Department of Business and Industry with regard to mobile homes, manufactured homes and commercial coaches as defined in chapter 489 of NRS; or
- (b) Department of Motor Vehicles with regard to all other items included in this section.
- 2. [In] Except as otherwise provided in subsection 3, in accordance with the terms of a notice so given, a sale by public auction [may] must be held to satisfy any valid claim which has become a lien on the motor vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home. [The sale must be held in the place where the lien was acquired or, if that place is manifestly unsuitable for the purpose, at the nearest suitable place.]
- 3. A lien claimant may cause a motor vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home to be sold by private sale directly to a third-party purchaser in an arm's length transaction if the lien claimant is unable to sell the motor vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home at a public auction for the fair market value of the motor





vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home.

- [3.] 4. After the time for the payment of the claim specified in the notice has elapsed, an advertisement of the sale, describing the motor vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home to be sold, and stating the name of the owner or person on whose account it is held, and the time and place of the sale, must be published once a week for 3 consecutive weeks in a newspaper of general circulation published in the place where the sale is to be held. [, but if no newspaper is published in that place, then in a newspaper published in this State that has a general circulation in that place.] The sale must not be held less than 22 days after the time of the first publication.
- [4.] 5. From the proceeds of the sale the lien claimant who furnished the services, labor, fuel, accessories, facilities or supplies shall satisfy the lien, including the reasonable charges of notice, advertisement and sale. The balance, if any, of the proceeds must be delivered, on demand, to the person to whom the lien claimant would have been bound to deliver, or justified in delivering, the motor vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home.
- 6. Nothing in this section shall be construed to prohibit a lien claimant from purchasing a motor vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home at a public auction held pursuant to subsection 2 for the fair market value of the motor vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home.
 - 7. As used in this section:
- (a) "Arm's length transaction" means a transaction between two parties:
 - (1) Who are not related, affiliated or on close terms; and
- (2) Who are presumed to have roughly equal bargaining power.
- (b) "Fair market value" means the retail value of a motor vehicle, aircraft, motorcycle, motor or aircraft equipment, aircraft parts, trailer, recreational vehicle, mobile home or manufactured home that is established by:
- (1) An objective 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 goods, including, without limitation, used motor vehicles; or

(4) A computer-based service commonly used by the insurance industry for the valuation of goods, including, without

limitation, used motor vehicles.

Sec. 2. NRS 482.379 is hereby amended to read as follows:

482.379 1. The Director may order the design and preparation of license plates which commemorate the 125th anniversary of Nevada's admission into the Union and establish the procedures for the application and issuance of the plates.

2. The Department may designate any colors, numbers and

letters for the commemorative plates.

3. A person who is entitled to license plates pursuant to NRS

482.265 may apply for commemorative license plates.

- 4. The fee for the commemorative license plates is \$10, in addition to all other applicable registration and license fees and governmental services taxes. If a person is eligible for and applies for any special license plates issued pursuant to NRS 482.3667, 482.3672, [482.3675,] 482.368 or 482.370 to 482.3825, inclusive, and applies to have those special license plates combined with commemorative plates, the person must pay the fees for the special license plates in addition to the fee for the commemorative plates.
- 5. In addition to all fees for the license, registration and governmental services taxes, a person who is eligible for and applies for commemorative plates must pay \$25 for the celebration of the 125th anniversary of Nevada's admission into the Union. The fees for the license, registration, and governmental services taxes and the charge for the celebration may be paid with a single check.
- 6. Commemorative plates are renewable upon the payment of \$10.
- 7. If during a registration period, the holder of commemorative plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder may retain the plates and:
- (a) Within 30 days after removing the plates from the vehicle, return them to the Department; or
- (b) Affix them to another vehicle which meets the requirements of this section if the transfer and registration fees are paid as is provided for in this chapter.
- 8. Except as otherwise provided by subsection 10, if a commemorative license plate or set of license plates issued pursuant to the provisions of this section is lost, stolen or mutilated, the owner of the vehicle may secure a duplicate number plate or set of





duplicate number plates, as the case may be, from the Department upon payment of the fees set forth in subsection 2 of NRS 482.500.

- 9. The Department shall, for each set of commemorative license plates that it issues:
- (a) Deposit the \$25 collected for the celebration of the 125th anniversary of Nevada's admission into the Union with the State Treasurer for credit to the Account for Nevada's 125th Anniversary in the State General Fund:
- (b) Deposit \$7.50 with the State Treasurer for credit to the Motor Vehicle Fund pursuant to the provisions of NRS 482.180; and
- (c) Deposit \$2.50 with the State Treasurer for credit to the Department to reimburse the Department for the cost of manufacturing the license plates.
 - 10. The Department shall not:

- (a) Issue the commemorative license plates after October 31, 1990.
- (b) Issue duplicate or replacement commemorative license plates after June 30, 1995.
- 11. License plates issued pursuant to this section are not subject to reissue pursuant to subsection 2 of NRS 482.265.
 - Sec. 3. NRS 482.500 is hereby amended to read as follows:
- 482.500 1. Except as otherwise provided in subsection 2 or 3 or specifically provided by statute, whenever upon application any duplicate or substitute certificate of registration, indicator, decal or number plate is issued, the following fees must be paid:

For a certificate of registration	\$5.00
For every substitute number plate or set of plates	
For every duplicate number plate or set of plates	
For every decal displaying a county name	
For every other indicator, decal, license plate	
sticker or tab	5.00

- 2. The following fees must be paid for any replacement number plate or set of plates issued for the following special license plates:
- (a) For any special plate issued pursuant to NRS 482.3667, 482.367002, 482.3672, [482.3675,] 482.370 to 482.3755, inclusive, 482.376 or 482.379 to 482.3818, inclusive, a fee of \$10.
- (b) For any special plate issued pursuant to NRS 482.368, 482.3765, 482.377 or 482.378, a fee of \$5.
- (c) Except as otherwise provided in paragraph (a) of subsection 1 of NRS 482.3824, for any souvenir license plate issued pursuant to NRS 482.3825 or sample license plate issued pursuant to NRS





- 482.2703, a fee equal to that established by the Director for the issuance of those plates.
- 3. A fee must not be charged for a duplicate or substitute of a decal issued pursuant to NRS 482.37635.
- 4. The fees which are paid for replacement number plates, duplicate number plates and decals displaying county names must be deposited with the State Treasurer for credit to the Motor Vehicle Fund and allocated to the Department to defray the costs of replacing or duplicating the plates and manufacturing the decals.
 - **Sec. 4.** NRS 487.557 is hereby amended to read as follows:
- 487.557 1. On or before **January** *February* 1 of each year, the Director of the Department shall prepare a report concerning garages, garage operators and body shops. The report must include:
- (a) The number of complaints relating to garages, garage operators and body shops made to and acted upon by the Department during the year for which the report is prepared;
- (b) The number of investigations conducted during that year by the Department relating to garages, garage operators and body shops; and
- (c) The outcome of each investigation specified in paragraph (b) and the extent to which any information relating to each investigation is subject to disclosure to the members of the public.
- 2. On or before [January] February 1 of each even-numbered year, the Director of the Department shall submit the report required pursuant to subsection 1 to the Legislative Commission. On or before [January] February 1 of each odd-numbered year, the Director of the Department shall submit the report to the Director of the Legislative Counsel Bureau for transmittal to:
- (a) The Senate Standing Committee on [Energy,] Growth and Infrastructure; [and Transportation;] and
- (b) The Assembly Standing Committee on [Transportation.] *Growth and Infrastructure.*
- **Sec. 5.** A person to whom the Department of Motor Vehicles issued special license plates pursuant to NRS 482.3675 shall, on or before January 1, 2024, surrender any such plates in his or her possession to the Department, and, in lieu of any plates surrendered, is entitled to receive regular Nevada license plates.
- **Sec. 6.** The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
 - Sec. 7. NRS 482.3675 is hereby repealed.
 - **Sec. 8.** This act becomes effective on July 1, 2023.





TEXT OF REPEALED SECTION

482.3675 Honorary consul of foreign country.

- 1. An owner of a motor vehicle who is a United States citizen or a citizen of a foreign country residing in this State and who holds from a foreign country a letter of appointment as an honorary consul may, upon signed application on a form prescribed and provided by the Department, accompanied by:
- (a) The fee charged for personalized prestige license plates in NRS 482.367 in addition to all other required registration fees and taxes; and
 - (b) A copy of the letter of appointment from that country,
- be issued a set of license plates upon which is inscribed CONSULAR CORPS with a number of characters, including numbers and letters, as determined necessary by the Director pursuant to NRS 482.367003.
- 2. Each person who is eligible for special license plates under this section may apply for one set of plates. The plates may be used only on a private passenger vehicle or a noncommercial truck.
- 3. When a person to whom special license plates have been issued pursuant to this section loses his or her status as an honorary consul, the person shall surrender any special plates he or she possesses to the Department and is entitled to receive regular Nevada license plates. Surrendered plates may be reissued or disposed of in a manner authorized by the regulations of the Department.
- 4. The Department may adopt regulations governing the issuance of special license plates to honorary consuls of foreign countries. The Department shall include on the form for application a notice to the applicant that the issuance of such license plates does not confer any diplomatic immunity.
- 5. Special license plates issued pursuant to this section are renewable upon the payment of \$10.





