

Amendment No. 496

Senate Amendment to Assembly Bill No. 284 First Reprint	(BDR 9-761)
Proposed by: Senate Committee on Judiciary	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

DAN/BAW



Date: 5/10/2021

A.B. No. 284—Revises provisions relating to statutory liens on motor vehicles.
(BDR 9-761)



ASSEMBLY BILL NO. 284—ASSEMBLYWOMAN MARTINEZ

MARCH 15, 2021

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to statutory liens on motor vehicles. (BDR 9-761)

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 statutory liens; providing a procedure to contest the validity of ~~the~~ **certain liens** on a motor vehicle; requiring that certain additional information be provided in a notice of lien on a motor vehicle; providing for the expiration of a lien on a motor vehicle; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes a person to contest the validity of a lien on a mobile home or manufactured home. (NRS 108.355) **Section 1** of this bill establishes a similar procedure for a person to contest the validity of ~~the~~ **certain liens** on a motor vehicle.

Existing law requires that a notice of lien on a mobile home or manufactured home must include: (1) the amount necessary to satisfy the lien; and (2) a description of the legal proceedings available to contest the lien. (NRS 108.2725) **Section 3** of this bill requires that similar information be included in a notice of lien on a motor vehicle.

Under existing law, a lien on a mobile home or manufactured home expires 1 year after the lien is filed with the Housing Division of the Department of Business and Industry. (NRS 108.2735) **Section 4** of this bill provides that a lien on a motor vehicle expires 6 months after the lien is filed with the Department of Motor Vehicles ~~and~~, **except when tolled by a pending civil action or administrative proceeding relating to the lien on the motor vehicle or an underlying repair to the motor vehicle.**

The provisions of this bill do not apply to a lien asserted by the operator of a tow car holding a certificate of public convenience and necessity.

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

Section 1. Chapter 108 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in subsection ~~5.1~~ 7, a person contesting the validity of a lien on a motor vehicle may file, in addition to any other civil action authorized by law, a notice of opposition to the lien in the justice court in ~~whose~~ the jurisdiction ~~the registered owner of~~ where the motor vehicle ~~lives~~ is located. A person may file a notice of opposition ~~at any time~~ within 7 calendar

1 days after receiving a notice of lien and must include the facts supporting the
 2 opposition. The person filing the notice shall serve copies of the notice upon the
 3 lien claimant and the Department of Motor Vehicles.

4 2. Upon the filing of the notice of opposition to the lien, the justice of the
 5 peace shall schedule a hearing on the notice, which must be held not later than
 6 14 calendar days after service of the notice but not sooner than 5 calendar days
 7 after service of the notice. The justice of the peace shall affix the date of the
 8 hearing to the notice and order that a copy be served upon the lien claimant
 9 within 5 calendar days after the date of the order.

10 3. The justice of the peace shall ~~dismiss~~;

11 (a) Dismiss the objections to the lien claim ~~and~~;

12 (b) Declare the lien invalid and issue a writ of possession; or ~~declare~~

13 (c) Declare the amount of the lien if the amount of the lien is different from
 14 that described by the lien claimant.

15 ↪ A lien is invalid if a body shop or garage operator fails to comply with the
 16 provisions of subsection 1 of NRS 487.567, NRS 487.6875 or 487.6877.

17 4. If a writ of possession is issued pursuant to paragraph (b) of subsection
 18 3, the writ must:

19 (a) Be directed to the sheriff within whose jurisdiction the motor vehicle is
 20 located;

21 (b) Describe the motor vehicle to be seized and specify the location where, as
 22 determined by the justice of the peace from all the evidence, there is probable
 23 cause to believe the motor vehicle will be found; and

24 (c) Direct the levying office to seize the motor vehicle if it is found and return
 25 the motor vehicle to the registered owner.

26 5. The scope of a notice of opposition to a lien filed pursuant to this section
 27 is limited to judicial review of the procedures set forth in subsection 1 of NRS
 28 487.567, NRS 487.6875 and 487.6877, the reasonableness of storage costs and
 29 compliance with the notice provisions of this section and NRS 108.265 to
 30 108.367, inclusive.

31 6. After receipt of a notice of opposition to a lien or other notice pursuant to
 32 any proceeding to contest the validity of a lien on a motor vehicle, the
 33 Department of Motor Vehicles shall not transfer the title to the motor vehicle that
 34 is subject to the lien until the matter has been adjudicated.

35 ~~5.~~ 7. This section does not:

36 (a) Affect the rights of a secured party pursuant to chapter 104 of NRS.

37 (b) Apply to a lien asserted by the operator of a tow car holding a certificate
 38 of public convenience and necessity issued pursuant to NRS 706.4463.

39 8. As used in this section:

40 (a) "Body shop" has the meaning ascribed to it in NRS 487.532.

41 (b) "Garage operator" has the meaning ascribed to it in NRS 487.545.

42 **Sec. 2.** NRS 108.265 is hereby amended to read as follows:

43 108.265 As used in NRS 108.265 to 108.367, inclusive, and section 1 of this
 44 act, unless the context otherwise requires, the words and terms defined in NRS
 45 108.266 to 108.26795, inclusive, have the meanings ascribed to them in those
 46 sections.

47 **Sec. 3.** NRS 108.2725 is hereby amended to read as follows:

48 108.2725 1. In addition to the requirements set forth in NRS 108.272, the
 49 notice of a lien on a mobile home or manufactured home must include:

50 ~~1.~~ (a) The amount necessary to satisfy the lien; and

51 ~~2.~~ (b) A description of the legal proceeding available to contest the lien
 52 pursuant to NRS 108.350 and 108.355.

1 2. *Except as otherwise provided in this subsection, in addition to the*
2 *requirements set forth in NRS 108.272, the notice of a lien on a motor vehicle*
3 *must include:*

4 (a) *The amount necessary to satisfy the lien; and*

5 (b) *A description of the legal proceedings available to contest the lien*
6 *pursuant to NRS 108.350 and section 1 of this act.*

7 ↪ *This subsection does not apply to a lien asserted by the operator of a tow car*
8 *holding a certificate of public convenience and necessity issued pursuant to NRS*
9 *706.4463.*

10 **Sec. 4.** NRS 108.2735 is hereby amended to read as follows:

11 108.2735 1. A lien asserted against a mobile home or manufactured home
12 expires 1 year after ~~the~~ *the lien* is filed with the Housing Division of the
13 Department of Business and Industry.

14 2. *Except as otherwise provided in this subsection, a lien asserted against a*
15 *motor vehicle expires 6 months after the lien is filed with the Department of*
16 *Motor Vehicles. This subsection does not apply to a lien asserted by the operator*
17 *of a tow car holding a certificate of public convenience and necessity issued*
18 *pursuant to NRS 706.4463.*

19 3. *The expiration of the lien provided in subsection 2 is tolled during any*
20 *period in which there is a pending civil action or administrative proceeding*
21 *conducted by the Department of Motor Vehicles relating to the amount or validity*
22 *of the lien on the motor vehicle or an underlying repair to the motor vehicle.*

23 **Sec. 5.** This act becomes effective on July 1, 2021.