

Assembly Bill No. 290—Assemblymen Brown-May; Carter, D’Silva,
González, Hafen, Koenig, Nguyen and Torres

Joint Sponsor: Senator Goicoechea

CHAPTER.....

AN ACT relating to motor vehicles; authorizing, under certain circumstances, a dealer and purchaser to enter into a written return agreement to cancel a vehicle sale; revising provisions relating to the registration of certain vehicles when the certificate of title is lost, unlawfully detained or otherwise not available; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law provides that whenever application is made to the Department of Motor Vehicles for registration of a motor vehicle of which the ownership has been transferred, the person transferring the vehicle is authorized to designate the person receiving the vehicle to provide the information required by the Department relating to odometer disclosures if the: (1) certificate of title is lost, unlawfully detained by one in possession or otherwise not available; and (2) model year is 9 years old or newer. (NRS 482.415) **Section 4** of this bill provides instead that this process applies to the registration of a motor vehicle of which the model year is 2011 or newer and the vehicle is less than 20 years old.

Section 1 of this bill authorizes a dealer licensed in this State and the purchaser of a vehicle to enter into a written return agreement to cancel the sale. Upon entering into such a written agreement, the sale is cancelled. The dealer is required, within 15 days, to return to the purchaser or secured party, as applicable, all money, taxes and fees that were collected by the dealer at the time of the sale. **Section 1** provides that if such a written agreement is entered into, the dealer may submit an application to the Department of Motor Vehicles for a certificate of title. **Section 1** further requires the Department of Motor Vehicles to issue a certificate of title after receiving such an application. Finally, **section 1**: (1) prohibits, under certain circumstances, a dealer from selling in this State the vehicle that is the subject of such a cancellation of sale until the dealer receives the certificate of title from the Department of Motor Vehicles; (2) requires a dealer to retain the written return agreement to cancel a vehicle sale with the sales records for the transaction; and (3) provides that the cancellation of a sale pursuant to **section 1** does not negate the fact that the vehicle has been the subject of a previous retail sale.

Section 2 of this bill makes a conforming change to indicate the proper placement of **section 1** in the Nevada Revised Statutes.

Section 3 of this bill creates an exception to the general requirement that an existing certificate of title be endorsed by the transferor and transferee when an ownership interest in the vehicle is transferred. (NRS 482.400)



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. Notwithstanding any other provision of law, a dealer licensed in this State and the purchaser of a vehicle may enter into a written return agreement to cancel the sale of the vehicle. Upon entering into such an agreement, the sale is cancelled and the dealer shall, not later than 15 days after the sale is cancelled, return to the purchaser or secured party, as applicable, all of the money, taxes and fees that were collected by the dealer at the time of sale.

2. If a dealer and purchaser enter into a written return agreement to cancel the sale of a vehicle pursuant to subsection 1, the dealer may submit an application for a certificate of title to the Department of Motor Vehicles. Any such application for a certificate of title must be in the form prescribed by the Department of Motor Vehicles, may request the expedited processing of the application and must include, without limitation:

(a) A copy of the written return agreement described in subsection 1;

(b) The fees required for the issuance of a certificate of title pursuant to NRS 482.429;

(c) If the Department has already issued a certificate of title for the vehicle in relation to the sale:

(1) The certificate of title that the Department issued to the purchaser; or

(2) An affidavit certifying that the certificate of title issued to the purchaser by the Department is unavailable and needs to be cancelled by the Department; and

(d) If the Department of Motor Vehicles has not issued a certificate of title for the vehicle in relation to the sale, the certificate of title upon which the title transfer to the purchaser was made.

3. Except as otherwise provided in subsection 8, the Department of Motor Vehicles shall issue the certificate of title to the dealer that sets forth:

(a) The dealer as the owner of the vehicle; and

(b) An odometer reading, as recorded at the time of the sale.



4. *Except as otherwise provided in subsection 8, if an application for a certificate of title submitted pursuant to subsection 2 does not request the expedited processing of the application, the Department of Motor Vehicles shall at its standard processing time, issue the certificate of title to the dealer that sets forth:*

- (a) *The dealer as the owner of the vehicle; and*
- (b) *An odometer reading, as recorded at the time of the sale.*

5. *A dealer shall not sell in this State a vehicle that is the subject of a cancellation of sale pursuant to this section if the dealer has submitted an application for a certificate of title pursuant to subsection 2 until the dealer receives the certificate of title from the Department of Motor Vehicles.*

6. *A dealer must retain a written return agreement to cancel the sale of a vehicle entered into pursuant to subsection 1 with the sales records related to the sale between the dealer and purchaser.*

7. *The cancellation of the sale of a vehicle pursuant to a written return agreement entered into pursuant to subsection 1 does not negate the fact that the vehicle has been the subject of a previous retail sale.*

8. *Nothing in this section shall be construed to prohibit the Department of Motor Vehicles from reviewing an application for a certificate of title submitted pursuant to subsection 2 for the accuracy and completeness of any information contained therein, or conduct any necessary investigations before issuing a certificate of title.*

Sec. 2. NRS 482.245 is hereby amended to read as follows:

482.245 1. The certificate of registration must contain upon the face thereof the date issued, the registration number assigned to the vehicle, the name and address of the registered owner, the county where the vehicle is to be based unless it is deemed to have no base, a description of the registered vehicle and such other statement of facts as may be determined by the Department.

2. The certificate of title must contain upon the face thereof the date issued, the name and address of the registered owner and the owner or lienholder, if any, a description of the vehicle, any entries required by NRS 482.423 to 482.428, inclusive, *and section 1 of this act*, a reading of the vehicle's odometer as provided to the Department by the person making the sale or transfer, the word "rebuilt" if it is a rebuilt vehicle, the information required pursuant to subsection 4 of NRS 482.247 if the certificate of title is a certificate of title in beneficiary form pursuant to NRS 482.247 and such other statement of facts as may be determined by the



Department. The reverse side of the certificate of title must contain forms for notice to the Department of a transfer of the title or interest of the owner or lienholder and application for registration by the transferee. If a new certificate of title is issued for a vehicle, it must contain the same information as the replaced certificate, except to the extent that the information has changed after the issuance of the replaced certificate. Except as otherwise required by federal law, the certificate of title of a vehicle which the Department knows to have been stolen must not contain any statement or other indication that the mileage specified in the certificate or registered on the odometer is anything other than the actual mileage traveled by the vehicle, in the absence of proof that the odometer of the vehicle has been disconnected, reset or altered.

Sec. 3. NRS 482.400 is hereby amended to read as follows:

482.400 1. Except as otherwise provided in this subsection and subsections 3, 6 and 7, and NRS 482.247, *and section 1 of this act*, upon a transfer of the title to, or the interest of an owner in, a vehicle registered or issued a certificate of title under the provisions of this chapter, the person or persons whose title or interest is to be transferred and the transferee shall write their signatures with pen and ink upon the certificate of title issued for the vehicle, together with the residence address of the transferee, in the appropriate spaces provided upon the reverse side of the certificate. The Department may, by regulation, prescribe alternative methods by which a signature may be affixed upon a manufacturer's certificate of origin or a manufacturer's statement of origin issued for a vehicle. The alternative methods must ensure the authenticity of the signatures.

2. Within 5 days after the transfer of the title to, or the interest of an owner in, a vehicle registered or issued a certificate of title under the provisions of this chapter, the person or persons whose title or interest is to be transferred may submit electronically to the Department a notice of the transfer. The Department may provide, by request and at the discretion of the Department, information submitted to the Department pursuant to this section to a tow car operator or other interested party. The Department shall adopt regulations establishing:

(a) Procedures for electronic submissions pursuant to this section; and

(b) Standards for determining who may receive information from the Department pursuant to this section.

3. The Department shall provide a form for use by a dealer for the transfer of ownership of a vehicle. The form must be produced



in a manner which ensures that the form may not be easily counterfeited. Upon the attachment of the form to a certificate of title issued for a vehicle, the form becomes a part of that certificate of title. The Department may charge a fee not to exceed the cost to provide the form.

4. Except as otherwise provided in subsections 5, 6 and 7, the transferee shall immediately apply for registration as provided in NRS 482.215 and shall pay the governmental services taxes due.

5. If the transferee is a dealer who intends to resell the vehicle, the transferee is not required to register, pay a transfer or registration fee for, or pay a governmental services tax on the vehicle. When the vehicle is resold, the purchaser shall apply for registration as provided in NRS 482.215 and shall pay the governmental services taxes due.

6. If the transferee consigns the vehicle to a wholesale vehicle auctioneer:

(a) The transferee shall, within 30 days after that consignment, provide the wholesale vehicle auctioneer with the certificate of title for the vehicle, executed as required by subsection 1, and any other documents necessary to obtain another certificate of title for the vehicle.

(b) The wholesale vehicle auctioneer shall be deemed a transferee of the vehicle for the purposes of subsection 5. The wholesale vehicle auctioneer is not required to comply with subsection 1 if the wholesale vehicle auctioneer:

(1) Does not take an ownership interest in the vehicle;

(2) Auctions the vehicle to a vehicle dealer or automobile wrecker who is licensed as such in this or any other state; and

(3) Stamps his or her name, his or her identification number as a vehicle dealer and the date of the auction on the certificate of title and the bill of sale and any other documents of transfer for the vehicle.

7. A charitable organization which intends to sell a vehicle which has been donated to the organization must deliver immediately to the Department or its agent the certificate of registration and the license plate or plates for the vehicle, if the license plate or plates have not been removed from the vehicle. The charitable organization must not be required to register, pay a transfer or registration fee for, or pay a governmental services tax on the vehicle. When the vehicle is sold by the charitable organization, the purchaser shall apply for registration as provided in NRS 482.215 and pay the governmental services taxes due.



8. As used in this section, “wholesale vehicle auctioneer” means a dealer who:

(a) Is engaged in the business of auctioning consigned motor vehicles to vehicle dealers or automobile wreckers, or both, who are licensed as such in this or any other state; and

(b) Does not in the ordinary course of business buy, sell or own the vehicles he or she auctions.

Sec. 4. NRS 482.415 is hereby amended to read as follows:

482.415 1. Whenever application is made to the Department for registration of a vehicle previously registered pursuant to this chapter and the applicant is unable to present the certificate of registration or certificate of title previously issued for the vehicle because the certificate of registration or certificate of title is lost, unlawfully detained by one in possession or otherwise not available, the Department may receive the application, investigate the circumstances of the case and require the filing of affidavits or other information. When the Department is satisfied that the applicant is entitled to a new certificate of registration and certificate of title, it may register the applicant’s vehicle and issue new certificates and a new license plate or plates to the person or persons entitled thereto. An applicant who is unable to satisfy the Department that the applicant is entitled to a new certificate of title pursuant to this subsection may obtain a new certificate of title pursuant to the provisions of NRS 482.2605.

2. Whenever application is made to the Department for the registration of a motor vehicle of which the:

(a) Ownership has been transferred;

(b) Certificate of title is lost, unlawfully detained by one in possession or otherwise not available; and

(c) Model year is ~~[9 years old]~~ 2011 or newer ~~[.]~~ *and the motor vehicle is less than 20 years old,*

↳ the transferor of the motor vehicle may, to furnish any information required by the Department to carry out the provisions of NRS 484D.330, designate the transferee of the motor vehicle as attorney-in-fact on a form for a power of attorney provided by the Department.

3. The Department shall provide the form described in subsection 2. The form must be:

(a) Produced in a manner that ensures that the form may not be easily counterfeited; and

(b) Substantially similar to the form set forth in Appendix E of Part 580 of Title 49 of the Code of Federal Regulations.



4. The Department may charge a fee not to exceed 50 cents for each form it provides.

20 ~~~~~ 23

