

SENATE BILL NO. 491—SENATORS WASHINGTON, DENIS; BROOKS,  
CANNIZZARO, DONDERO LOOP, RATTI, SPEARMAN AND  
WOODHOUSE

MARCH 27, 2019

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions concerning vehicles.  
(BDR 43-135)

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 ~~fornitted-material~~ is material to be omitted.

AN ACT relating to vehicles; revising provisions relating to obtaining a salvage title or a nonrepairable vehicle certificate for a vehicle that is the object of certain insurance settlements or donations; revising provisions relating to the issuance of a salvage title or a nonrepairable vehicle certificate by the Department of Motor Vehicles; revising provisions relating to a lien on certain vehicles; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law requires the owner of a motor vehicle who enters into a settlement  
2 with an insurance company in which the motor vehicle is determined to be a  
3 salvage vehicle to endorse the certificate of title of the motor vehicle and forward  
4 the certificate of title to the insurance company within 30 days after accepting the  
5 settlement. The insurance company is required to forward an application for a  
6 salvage title for the motor vehicle to the Department of Motor Vehicles within 180  
7 days. If the owner of the motor vehicle does not provide the endorsed certificate of  
8 title to the insurance company within 30 days, the insurance company must forward  
9 an application for a salvage title within 180 days after the expiration of the 30-day  
10 period. (NRS 487.800) **Section 5** of this bill instead requires the insurance  
11 company, in a case where the owner has not provided the endorsed certificate of  
12 title within the 30-day period, to forward an application for a salvage title to the  
13 Department as soon as practicable.

14 **Section 5** also provides that the Department shall issue a salvage title or a  
15 nonrepairable vehicle certificate in certain circumstances to a: (1) salvage pool who  
16 obtains the vehicle from an insurance company and the vehicle is abandoned  
17 at the facility of the salvage pool for more than 30 days; and (2) charitable



18 organization that obtains a vehicle through a donation and is unable to obtain an  
19 endorsed certificate of title. **Section 6** of this bill makes a conforming change and  
20 requires the Department to charge a fee for the issuance of such a salvage title.  
21 (NRS 487.810)

22 Existing law authorizes the Department, when an applicant is unable to satisfy  
23 the Department by the submission of various documents that the applicant is  
24 entitled to a salvage title, to issue the salvage title if the applicant files a bond with  
25 the Department and allows the Department to inspect the vehicle and conduct a  
26 search through certain national crime information databases. The bond must be in  
27 an amount equal to one and one-half times the value of the vehicle. (NRS 487.820)  
28 **Section 7** of this bill revises the amount of the required bond to 25 percent of the  
29 value of the vehicle.

30 Existing law provides that certain operators of storage facilities who store a  
31 motor vehicle, boat or personal watercraft have a lien upon the motor vehicle, boat  
32 or personal watercraft for the sum due for certain costs, and certain remedies are  
33 provided. (NRS 108.4763) **Section 8.5** of this bill adds a trailer used to transport  
34 such a motor vehicle, boat or personal watercraft to the list of personal property that  
35 such a lien may include. **Section 8.3** of this bill makes a conforming change.

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

1 **Section 1.** (Deleted by amendment.)

2 **Sec. 2.** (Deleted by amendment.)

3 **Sec. 3.** (Deleted by amendment.)

4 **Sec. 4.** (Deleted by amendment.)

5 **Sec. 5.** NRS 487.800 is hereby amended to read as follows:

6 487.800 1. When an insurance company acquires a motor  
7 vehicle as a result of a settlement in which the motor vehicle is  
8 determined to be a salvage vehicle, the owner of the motor vehicle  
9 who is relinquishing ownership of the motor vehicle shall endorse  
10 the certificate of title of the motor vehicle and forward the endorsed  
11 certificate of title to the insurance company within 30 days after  
12 accepting the settlement from the insurance company. ~~The~~ *Except*  
13 *as otherwise provided in subsection 2, the* insurance company or its  
14 authorized agent shall forward the endorsed certificate of title,  
15 together with an application for a salvage title or nonrepairable  
16 vehicle certificate, to the state agency within 180 days after receipt  
17 of the endorsed certificate of title.

18 2. If the owner of the motor vehicle who is relinquishing  
19 ownership does not provide the endorsed certificate of title to the  
20 insurance company within 30 days after accepting the settlement  
21 pursuant to subsection 1, the insurance company shall, ~~within 180~~  
22 ~~days after the expiration of that 30-day period,~~ *as soon as*  
23 *practicable,* forward an application for a salvage title or  
24 nonrepairable vehicle certificate to the state agency. ~~The~~ *Except as*  
25 *otherwise provided in subsections 10 and 11, the* state agency shall



1 issue a salvage title or nonrepairable vehicle certificate to the  
2 insurance company for the vehicle upon receipt of:

3 (a) The application;

4 (b) A motor vehicle inspection certificate signed by a  
5 representative of the Department or, as one of the authorized agents  
6 of the Department, by a peace officer, dealer, rebuilder, automobile  
7 wrecker, operator of a salvage pool or garage operator;

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

12 (d) Proof satisfactory to the state agency that the certificate of  
13 title was required to be surrendered to the insurance company as part  
14 of the settlement.

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

19 (a) If the person has possession of the certificate of title to the  
20 vehicle, shall forward the endorsed certificate of title, together with  
21 an application for salvage title to the state agency within 30 days  
22 after the vehicle becomes a salvage vehicle.

23 (b) If the person does not have possession of the certificate of  
24 title to the vehicle and the certificate of title is held by a lienholder,  
25 shall notify the lienholder within 10 days after the vehicle becomes  
26 a salvage vehicle that the vehicle has become a salvage vehicle. The  
27 lienholder shall, within 30 days after receiving such notice, forward  
28 the certificate of title, together with an application for salvage title,  
29 to the state agency.

30 4. An insurance company or its authorized agent may sell a  
31 vehicle for which a total loss settlement has been made with the  
32 properly endorsed certificate of title if the total loss settlement  
33 resulted from the theft of the vehicle and the vehicle, when  
34 recovered, was not a salvage vehicle.

35 5. An owner who has determined that a vehicle is a total loss  
36 salvage vehicle may sell the vehicle with the properly endorsed  
37 certificate of title obtained pursuant to this section, without making  
38 any repairs to the vehicle, to a salvage pool, automobile auction,  
39 rebuilder, automobile wrecker or a new or used motor vehicle  
40 dealer.

41 6. Except with respect to a nonrepairable vehicle, if a salvage  
42 vehicle is rebuilt and restored to operation, the vehicle may not be  
43 licensed for operation, displayed or offered for sale, or the  
44 ownership thereof transferred, until there is submitted to the state  
45 agency with the prescribed salvage title, an appropriate application,



1 other documents, including, without limitation, an affidavit from the  
2 state agency attesting to the inspection and verification of the  
3 vehicle identification number and the identification numbers, if any,  
4 for parts used to repair the motor vehicle and fees required, together  
5 with a certificate of inspection completed pursuant to NRS 487.860.

6 7. Except with respect to a nonrepairable vehicle, if a total loss  
7 insurance settlement between an insurance company and any person  
8 results in the retention of the salvage vehicle by that person, before  
9 the execution of the total loss settlement, the insurance company or  
10 its authorized agent shall:

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

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

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

18 8. If the state agency determines that a salvage vehicle retained  
19 pursuant to subsection 6 is titled in another state or territory of the  
20 United States, the state agency shall notify the appropriate authority  
21 of that state or territory that the owner has retained the salvage  
22 vehicle.

23 9. A person who retains a salvage vehicle pursuant to  
24 subsection 7 may not transfer any ownership interest in the vehicle  
25 unless he or she has received a salvage title.

26 ***10. When a salvage pool, at the request of an insurance***  
27 ***company, obtains possession of a vehicle that is the subject of an***  
28 ***insurance claim and a total loss claim is not paid by the insurance***  
29 ***company for the vehicle, the salvage pool, after the vehicle has***  
30 ***been abandoned at the facility of the salvage pool for not less than***  
31 ***30 days, may apply for a salvage title or a nonrepairable vehicle***  
32 ***certificate. The state agency shall issue a salvage title or***  
33 ***nonrepairable vehicle certificate to the salvage pool upon receipt***  
34 ***of:***

35 (a) *The application;*

36 (b) *A motor vehicle inspection certificate signed by a*  
37 ***representative of the Department or, as one of the authorized***  
38 ***agents of the Department, by a peace officer, dealer, rebuilder,***  
39 ***automobile wrecker, operator of a salvage pool or garage***  
40 ***operator; and***

41 (c) *Documentation that the salvage pool has made at least two*  
42 ***written attempts by certified mail, return receipt requested, or by***  
43 ***use of a delivery service with a tracking system addressed to the***  
44 ***owner of the vehicle and any known lienholder to have the vehicle***  
45 ***removed from the facility of the salvage pool.***



1 *11. When an organization that the Secretary of the Treasury*  
2 *has determined to be tax exempt pursuant to the provisions of*  
3 *section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. §*  
4 *501(c)(3), obtains a vehicle by donation and the organization is*  
5 *unable to obtain the endorsed certificate of title, the organization*  
6 *may apply for a salvage title or a nonrepairable vehicle certificate.*  
7 *The state agency shall issue a salvage title or nonrepairable*  
8 *vehicle certificate to the organization upon receipt of:*

9 *(a) The application;*

10 *(b) A motor vehicle inspection certificate signed by a*  
11 *representative of the Department or, as one of the authorized*  
12 *agents of the Department, by a peace officer, dealer, rebuilder,*  
13 *automobile wrecker, operator of a salvage pool or garage*  
14 *operator; and*

15 *(c) Evidence satisfactory to the Department that the*  
16 *organization made at least two written attempts, mailed to the*  
17 *address of the previous owner of the vehicle, to obtain*  
18 *the endorsed certificate of title.*

19 **Sec. 6.** NRS 487.810 is hereby amended to read as follows:

20 487.810 1. The state agency may issue a salvage title for a  
21 vehicle, which contains a brief description of the vehicle, including,  
22 insofar as data may exist with respect to the vehicle, the make, type,  
23 serial number and motor number, or any other number of the  
24 vehicle, upon application, to:

25 (a) The owner of the vehicle;

26 (b) The person to whom the vehicle is titled;

27 (c) An insurance company that acquires the vehicle as a salvage  
28 vehicle pursuant to subsection 1 of NRS 487.800; ~~or~~

29 (d) A lienholder who acquires title to the vehicle ~~or~~;

30 *(e) A salvage pool who acquires the vehicle pursuant to*  
31 *subsection 10 of NRS 487.800; or*

32 *(f) An organization that acquires the vehicle pursuant to*  
33 *subsection 11 of NRS 487.800.*

34 2. A properly endorsed title, together with a disclosure of  
35 mileage, as required pursuant to the provisions of 49 U.S.C. §§  
36 32701 et seq. and 49 C.F.R. § 580.5, must be submitted with the  
37 application for salvage title.

38 3. Within 2 days after receiving all necessary documents, the  
39 state agency shall issue a salvage title for the vehicle.

40 4. Except as otherwise provided in this subsection, the state  
41 agency shall charge and collect a fee of \$10 for the issuance of a  
42 salvage title pursuant to this section. The state agency shall not  
43 charge a fee for the issuance of a salvage title to an automobile  
44 wrecker licensed in this State. Fees collected by the state agency  
45 pursuant to this subsection must be deposited with the State



1 Treasurer for credit to the Revolving Account for the Issuance of  
2 Salvage Titles created by NRS 487.825.

3 5. Ownership interest in a salvage vehicle may not be  
4 transferred unless a salvage title has been issued by the state agency  
5 for the vehicle.

6 6. Possession of a salvage title does not entitle a person to  
7 dismantle, scrap, process or wreck any vehicle in this State unless  
8 the person holds a license issued pursuant to NRS 487.050.

9 7. The Department shall not issue a salvage title for a  
10 nonrepairable vehicle.

11 **Sec. 7.** NRS 487.820 is hereby amended to read as follows:

12 487.820 1. Except as otherwise provided in subsection 2, **10**  
13 **or 11** of NRS 487.800, if the applicant for a salvage title is unable to  
14 furnish the certificates of title and registration last issued for the  
15 vehicle, the state agency may accept the application, examine the  
16 circumstances of the case and require the filing of suitable affidavits  
17 or other information or documents. If satisfied that the applicant is  
18 entitled to a salvage title, the state agency may issue the salvage  
19 title.

20 2. No duplicate certificate of title or registration may be issued  
21 when a salvage title is applied for, and no fees are required for the  
22 affidavits of any stolen, lost or damaged certificate, or duplicates  
23 thereof, unless the vehicle is subsequently registered.

24 3. If an applicant is unable to satisfy the state agency that the  
25 applicant is entitled to a salvage title pursuant to subsection 1, the  
26 applicant may obtain a salvage title from the state agency by:

27 (a) Filing a bond with the state agency that meets the  
28 requirements of subsection 5;

29 (b) Allowing the state agency to inspect the vehicle to verify the  
30 vehicle identification number and the identification numbers, if any,  
31 for parts used to repair the vehicle; and

32 (c) Authorizing the state agency to conduct a search through any  
33 national crime information system, including, without limitation,  
34 the:

35 (1) National Crime Information Center, as defined in NRS  
36 179A.061; and

37 (2) National Motor Vehicle Title Information System of the  
38 United States Department of Justice.

39 4. Any person damaged by the issuance of the salvage title  
40 pursuant to subsection 3 has a right of action to recover on the bond  
41 for any breach of its conditions, except the aggregate liability of the  
42 surety to all persons must not exceed the amount of the bond. The  
43 state agency shall return the bond, and any deposit accompanying it,  
44 3 years after the bond was filed with the state agency, except that



1 the state agency must not return the bond if the state agency has  
2 been notified of the pendency of an action to recover on the bond.

3 5. The bond required pursuant to subsection 3 must be:

4 (a) In a form prescribed by the state agency;

5 (b) Executed by the applicant as principal and by a corporation  
6 qualified under the laws of this State as surety;

7 (c) In an amount equal to ~~one and one-half times~~ *25 percent of*  
8 the value of the vehicle, as determined by the state agency; and

9 (d) Conditioned to indemnify any:

10 (1) Prior owner or lienholder of the vehicle, and his or her  
11 successors in interest;

12 (2) Subsequent purchaser of the vehicle, and his or her  
13 successors in interest; or

14 (3) Person acquiring a security interest in the vehicle, and his  
15 or her successors in interest,

16 ↪ against any expense, loss or damage because of the issuance of  
17 the salvage title or because of any defect in or undisclosed security  
18 interest in the applicant's right or title to the vehicle or the  
19 applicant's interest in the vehicle.

20 6. A right of action does not exist in favor of any person by  
21 reason of any action or failure to act on the part of the state agency  
22 or any officer or employee thereof in carrying out the provisions of  
23 subsections 3, 4 and 5, or in giving or failing to give any  
24 information concerning the legal ownership of a vehicle or the  
25 existence of a salvage title obtained pursuant to subsection 3.

26 **Sec. 8.** (Deleted by amendment.)

27 **Sec. 8.3.** NRS 108.4743 is hereby amended to read as follows:

28 108.4743 "Personal property" means any property not affixed  
29 to land and includes, without limitation, merchandise, furniture,  
30 household items, motor vehicles, boats, ~~and~~ personal watercraft ~~and~~  
31 *and trailers used to transport motor vehicles, boats or personal*  
32 *watercraft.*

33 **Sec. 8.5.** NRS 108.4763 is hereby amended to read as follows:

34 108.4763 1. After the notice of the lien is mailed by the  
35 owner, if the occupant fails to pay the total amount due by the date  
36 specified in the notice, the owner may:

37 (a) Enter the storage space and remove the personal property  
38 within it to a safe place.

39 (b) Dispose of, but may not sell, any protected property  
40 contained in the storage space in accordance with the provisions of  
41 subsection 5 if the owner has actual knowledge of such protected  
42 property. If the owner disposes of the protected property in  
43 accordance with the provisions of subsection 5, the owner is not  
44 liable to the occupant or any other person who claims an interest in  
45 the protected property.



1 (c) If the personal property upon which the lien is claimed is a  
2 motor vehicle, boat , ~~for~~ personal watercraft ~~or~~ *or trailer used to*  
3 *transport a motor vehicle, boat or personal watercraft*, and rent and  
4 other charges related to such property remain unpaid or unsatisfied  
5 for 60 days, have the property towed by any tow car operator subject  
6 to the jurisdiction of the Nevada Transportation Authority. If a  
7 motor vehicle, boat , ~~for~~ personal watercraft *or trailer* is towed  
8 pursuant to this paragraph, the owner is not liable for any damages  
9 to such property once the tow car operator takes possession of the  
10 motor vehicle, boat , ~~for~~ personal watercraft ~~or~~ *or trailer*.

11 2. The owner shall send to the occupant a notice of a sale to  
12 satisfy the lien by verified mail or, if available, by electronic mail at  
13 the last known address of the occupant and at the alternative address  
14 provided by the occupant in the rental agreement at least 14 days  
15 before the sale. If the notice is sent by electronic mail and no  
16 confirmation of receipt is received, the owner shall also send such  
17 notice to the occupant by verified mail at the last known address of  
18 the occupant. The notice must contain:

19 (a) A statement that the occupant may no longer use the storage  
20 space and no longer has access to the occupant's personal property  
21 stored therein;

22 (b) A statement that the personal property of the occupant is  
23 subject to a lien and the amount of the lien;

24 (c) A statement that the personal property will be sold or  
25 disposed of to satisfy the lien on a date specified in the notice,  
26 unless the total amount of the lien is paid or the occupant executes  
27 and returns by verified mail, the declaration in opposition to the  
28 sale; and

29 (d) A statement of the provisions of subsection 3.

30 3. Proceeds of the sale over the amount of the lien and the costs  
31 of the sale must be retained by the owner and may be reclaimed by  
32 the occupant or the occupant's authorized representative at any time  
33 up to 1 year from the date of the sale.

34 4. The notice of the sale must also contain a blank copy of a  
35 declaration in opposition to the sale to be executed by the occupant  
36 if the occupant wishes to do so.

37 5. The owner may dispose of protected property contained in  
38 the storage space by taking the following actions, in the following  
39 order of priority, until the protected property is disposed of:

40 (a) Contacting the occupant and returning the protected property  
41 to the occupant.

42 (b) Contacting the secondary contact listed by the occupant in  
43 the rental agreement and returning the protected property to the  
44 secondary contact.





1 (c) Contacting any appropriate state or federal authorities,  
2 including, without limitation, any appropriate governmental agency,  
3 board or commission listed by the occupant in the rental agreement  
4 pursuant to NRS 108.4755, ascertaining whether such authorities  
5 will accept the protected property and, if such authorities will accept  
6 the protected property, ensuring that the protected property is  
7 delivered to such authorities.

8 (d) Destroying the protected property in an appropriate manner  
9 which is authorized by law and which ensures that any confidential  
10 information contained in the protected property is completely  
11 obliterated and may not be examined or accessed by the public.

12 **Sec. 9.** This act becomes effective on July 1, 2019.







