

ASSEMBLY BILL NO. 506—COMMITTEE ON TRANSPORTATION

MARCH 28, 2005

Referred to Committee on Transportation

SUMMARY—Revises provisions relating to towing of damaged or stolen motor vehicles. (BDR 43-1234)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: No.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to motor vehicles; providing for the designation of a location to which a damaged or stolen motor vehicle must be towed; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 482.542 is hereby amended to read as follows:
2 482.542 1. Any vehicle seized pursuant to NRS 482.540
3 ~~{may}~~;
4 (a) *May, if the vehicle is not stolen*, be removed by the
5 Department to:
6 ~~{(a)}~~ (1) A place designated for the storage of seized property ~~{~~
7 ~~—(b)}~~; or
8 (2) An appropriate place for disposal if that disposal is
9 specifically authorized by statute.
10 (b) *Shall, if the vehicle is stolen, be removed by the*
11 *Department to a location specified pursuant to the applicable*
12 *provisions of subsections 4 and 5 of NRS 484.397.*
13 2. If disposal of the vehicle is not specifically authorized by
14 statute, the vehicle is subject to forfeiture if it appears to the court
15 having jurisdiction over the proceedings that the rightful owner of
16 the vehicle cannot after due diligence be found.
17 3. If a court declares that a vehicle seized pursuant to NRS
18 482.540 is forfeited, the Department may:



- 1 (a) Retain it for official use;
- 2 (b) Sell it; or
- 3 (c) Remove it for disposal.

4 4. If at any time after a vehicle is seized pursuant to NRS
5 482.540 the rightful owner of the vehicle demands its return, the
6 Department shall:

- 7 (a) Return the vehicle to him; or
- 8 (b) If the vehicle was declared forfeited by a court and
9 subsequently sold or removed for disposal, pay to him the fair
10 market value of the vehicle at the time of forfeiture.

11 **Sec. 2.** NRS 484.397 is hereby amended to read as follows:

12 484.397 1. Whenever any police officer finds a vehicle
13 standing upon a highway in violation of any of the provisions of this
14 chapter, the officer may move the vehicle, or require the driver or
15 person in charge of the vehicle to move it, to a position off the
16 paved, improved or main-traveled part of the highway.

17 2. Whenever any police officer finds a vehicle unattended or
18 disabled upon any highway, bridge or causeway, or in any tunnel,
19 where the vehicle constitutes an obstruction to traffic or interferes
20 with the normal flow of traffic, the officer may provide for the
21 immediate removal of the vehicle.

22 3. Any police officer may, subject to the *applicable*
23 requirements of ~~[subsection 4,]~~ *subsections 4 and 5*, remove any
24 vehicle or part of a vehicle found on the highway, or cause it to be
25 removed, to a garage or other place of safekeeping if:

26 (a) The vehicle has been involved in an accident and is so
27 disabled that its normal operation is impossible or impractical and
28 the person or persons in charge of the vehicle are incapacitated by
29 reason of physical injury or other reason to such an extent as to be
30 unable to provide for its removal or custody, or are not in the
31 immediate vicinity of the disabled vehicle;

32 (b) The person driving or in actual physical control of the
33 vehicle is arrested for any alleged offense for which the officer is
34 required by law to take the person arrested before a proper
35 magistrate without unnecessary delay; or

36 (c) The person in charge of the vehicle is unable to provide for
37 its custody or removal within:

38 (1) Twenty-four hours after abandoning the vehicle on any
39 freeway, United States highway or other primary arterial highway.

40 (2) Seventy-two hours after abandoning the vehicle on any
41 other highway.

42 4. ~~[Unless a different course of action is]~~ *If a vehicle or part of*
43 *a vehicle has been stolen or has been involved in an accident and*
44 *is so disabled that its normal operation is impossible or*
45 *impractical, and a police officer wishes to remove the vehicle or*



1 *any part of the vehicle from a highway, the officer shall, in*
2 *accordance with any applicable protocol such as a rotational*
3 *schedule regarding the selection and use of towing services, cause*
4 *the vehicle or part of the vehicle to be removed by a tow car*
5 *operator. The officer shall direct the tow car operator to remove*
6 *the vehicle to a location designated on the certificate of insurance*
7 *or certificate of self-insurance, if any, for the vehicle, unless the*
8 *owner of the vehicle, the person driving or in actual physical*
9 *control of the vehicle, or the person in charge of the vehicle, as*
10 *applicable, specifies a different location to the officer. If no such*
11 *designation appears on the certificate of insurance or certificate of*
12 *self-insurance, the officer shall direct the tow car operator to*
13 *remove the vehicle to a location specified by the owner of the*
14 *vehicle, the person driving or in actual physical control of the*
15 *vehicle, or the person in charge of the vehicle, as applicable,*
16 *unless such person is incapacitated by reason of physical injury or*
17 *other reason to such an extent as to be unable to specify a*
18 *location, does not specify a location, or is not in the immediate*
19 *vicinity of the disabled vehicle, in which case the tow car operator*
20 *shall remove the vehicle or part of the vehicle in accordance with*
21 *the provisions of subsection 5.*

22 *5. Except as otherwise provided by subsection 4 or as*
23 necessary to preserve evidence of a criminal offense, a police officer
24 who wishes to have a vehicle or part of a vehicle removed from a
25 highway pursuant to subsection 3 shall, in accordance with any
26 applicable protocol such as a rotational schedule regarding the
27 selection and use of towing services, cause the vehicle or part of ~~the~~
28 *the* vehicle to be removed by a tow car operator. The tow car
29 operator shall, to the extent practicable and using the shortest and
30 most direct route, remove the vehicle or part of ~~the~~ *the* vehicle to his
31 garage unless directed otherwise by the police officer. The tow car
32 operator is liable for any loss of or damage to the vehicle or its
33 contents that occurs while the vehicle is in his possession or control.

34 **Sec. 3.** NRS 485.3091 is hereby amended to read as follows:

35 485.3091 1. An owner's policy of liability insurance must:

36 (a) Designate by explicit description or by appropriate reference
37 all motor vehicles with respect to which coverage is thereby to be
38 granted; and

39 (b) Insure the person named therein and any other person, as
40 insured, using any such motor vehicle with the express or implied
41 permission of the named insured, against loss from the liability
42 imposed by law for damages arising out of the ownership,
43 maintenance or use of such motor vehicle within the United States
44 of America or the Dominion of Canada, subject to limits exclusive



1 of interest and costs, with respect to each such motor vehicle, as
2 follows:

3 (1) Because of bodily injury to or death of one person in any
4 one accident, \$15,000;

5 (2) Subject to the limit for one person, because of bodily
6 injury to or death of two or more persons in any one accident,
7 \$30,000; and

8 (3) Because of injury to or destruction of property of others
9 in any one accident, \$10,000.

10 2. An operator's policy of liability insurance must insure the
11 person named as insured therein against loss from the liability
12 imposed upon him by law for damages arising out of the use by him
13 of any motor vehicle within the same territorial limits and subject to
14 the same limits of liability as are set forth in paragraph (b) of
15 subsection 1.

16 3. A motor vehicle liability policy must state the name and
17 address of the named insured, the coverage afforded by the policy,
18 the premium charged therefor, the period of effectiveness and the
19 limits of liability, and must contain an agreement or be endorsed
20 that insurance is provided thereunder in accordance with the
21 coverage defined in this chapter as respects bodily injury and death
22 or property damage, or both, and is subject to all the provisions of
23 this chapter.

24 4. A motor vehicle liability policy need not insure any liability
25 under any workmen's compensation law nor any liability on account
26 of bodily injury to or death of an employee of the insured while
27 engaged in the employment, other than domestic, of the insured, or
28 while engaged in the operation, maintenance or repair of any motor
29 vehicle owned by the insured nor any liability for damage to
30 property owned by, rented to, in charge of or transported by the
31 insured.

32 5. Every motor vehicle liability policy is subject to the
33 following provisions which need not be contained therein:

34 (a) The liability of the insurance carrier with respect to the
35 insurance required by this chapter becomes absolute whenever
36 injury or damage covered by the policy occurs. The policy may not
37 be cancelled or annulled as to such liability by any agreement
38 between the insurance carrier and the insured after the occurrence of
39 the injury or damage. No statement made by the insured or on his
40 behalf and no violation of the policy defeats or voids the policy.

41 (b) The satisfaction by the insured of a judgment for injury or
42 damage is not a condition precedent to the right or duty of the
43 insurance carrier to make payment on account of the injury or
44 damage.



(c) The insurance carrier may settle any claim covered by the policy, and if such a settlement is made in good faith, the amount thereof is deductible from the limits of liability specified in paragraph (b) of subsection 1.

(d) The policy, the written application therefor, if any, and any rider or endorsement which does not conflict with the provisions of this chapter constitute the entire contract between the parties.

6. Any policy which grants the coverage required for a motor vehicle liability policy may also grant any lawful coverage in excess of or in addition to the coverage specified for a motor vehicle liability policy, and the excess or additional coverage is not subject to the provisions of this chapter.

7. Any motor vehicle liability policy may provide for the prorating of the insurance thereunder with other valid and collectible insurance.

8. The requirements for a motor vehicle liability policy may be fulfilled by the policies of one or more insurance carriers, which policies together meet those requirements.

9. Any binder issued pending the issuance of a motor vehicle liability policy shall be deemed to fulfill the requirements for such a policy.

10. Any motor vehicle liability policy may specify, on the certificate of insurance associated therewith, the location to which a vehicle covered by the policy must be taken by a tow car operator if:

(a) The vehicle has been stolen or has been involved in an accident and is so disabled that its normal operation is impossible or impractical; and

(b) The owner of the vehicle, the person driving or in actual physical control of the vehicle, or the person in charge of the vehicle, as applicable, does not specify a different location pursuant to subsection 4 of NRS 484.397.

Sec. 4. NRS 485.380 is hereby amended to read as follows:

485.380 1. Any person in whose name more than 10 motor vehicles are registered in the State of Nevada may qualify as a self-insurer by obtaining a certificate of self-insurance issued by the Department as provided in subsection 2.

2. The Department may, upon the application of such a person, issue a certificate of self-insurance when:

(a) It is satisfied that he possesses and will continue to possess the ability to pay judgments obtained against him; and

(b) The person provides security to satisfy judgments against him in an amount prescribed by regulation of the Department.

3. The certificate of self-insurance must include:



- 1 (a) The name and address of the self-insurer;
- 2 (b) The expiration date of the self-insurance; and
- 3 (c) The statements:
 - 4 (1) "Self-insured"; and
 - 5 (2) "This certificate of self-insurance or a photocopy thereof
 - 6 must be carried in the motor vehicle which is self-insured for
 - 7 production on demand."

8 4. Upon not less than 5 days' notice and a hearing pursuant to
9 the notice, the Department may, upon reasonable grounds, cancel a
10 certificate of self-insurance. Failure to pay any judgment within 30
11 days after it becomes final constitutes a reasonable ground for the
12 cancellation of a certificate of self-insurance.

13 5. The Department shall adopt regulations which set forth the
14 amount of security which must be provided by a self-insurer
15 pursuant to subsection 2.

16 *6. A certificate of self-insurance may specify thereon the*
17 *location to which a vehicle covered by the certificate must be taken*
18 *by a tow car operator if:*

19 *(a) The vehicle or part of the vehicle has been stolen or has*
20 *been involved in an accident and is so disabled that its normal*
21 *operation is impossible or impractical; and*

22 *(b) The owner of the vehicle, the person driving or in actual*
23 *physical control of the vehicle, or the person in charge of the*
24 *vehicle, as applicable, does not specify a different location*
25 *pursuant to subsection 4 of NRS 484.397.*

26 **Sec. 5.** NRS 487.010 is hereby amended to read as follows:

27 487.010 1. Every keeper of a garage, parking area or trailer
28 park who provides storage or parking for vehicles subject to
29 registration under the laws of this State shall report the presence of
30 vehicles to the persons set forth in subsection 3 as follows:

31 (a) If there is reason to believe that the vehicle is stolen,
32 abandoned or secreted, within 24 hours after storage or parking
33 begins.

34 (b) If there is reason to believe that the vehicle has been stored
35 without the knowledge or consent of the registered owner, within 5
36 days after storage or parking begins.

37 (c) In any event within 30 days after storage or parking begins,
38 even though notice may have previously been given under the
39 provisions of paragraphs (a) and (b).

40 2. The notice must be given on forms provided by the state
41 agency and include the vehicle registration plate number, the vehicle
42 identification number and such other information as may be
43 available which will aid in identifying the registered and the legal
44 owner of the vehicle.

45 3. Notice must be given in person or by mail to:



- 1 (a) The sheriff of the county in which the vehicle is stored;
- 2 (b) If the vehicle is stored in a city, the chief of police of the
- 3 city; or
- 4 (c) The state agency.

5 4. The notice required by this section must be given to the state
6 agency if the vehicle has not been stored at the direction of either
7 the sheriff of the county or, in the case of a city, the chief of police
8 of the city in which the vehicle is stored.

9 5. ~~[The]~~ *Except as otherwise provided in NRS 484.397, the*
10 *person or entity to which notice must be given pursuant to*
11 *subsection 3 may direct an* operator of ~~[the]~~ *a tow car to tow and*
12 *store the vehicle, and the operator may do so pursuant to the*
13 *provisions of this section. If the operator does tow and store the*
14 *vehicle, the operator* shall, within 15 days after storage begins:

15 (a) If the vehicle is registered in this State, notify the legal
16 owner and any holder of a security interest who appears of record.

17 (b) If the vehicle is registered in another state, request from the
18 appropriate agency of that state the name and address of the legal
19 owner and holder of a security interest. If the names and addresses
20 are obtained, the operator of the tow car shall notify each of the
21 persons.

22 ➔ The state agency may utilize local law enforcement agencies of
23 this State to obtain the necessary information for the operator of the
24 tow car.

25 6. Failure to comply with the provisions of subsections 1, 2 and
26 3 renders any lien for storage beyond 24 hours, 5 days or 30 days,
27 respectively, void.

28 **Sec. 6.** NRS 690B.023 is hereby amended to read as follows:

29 690B.023 If insurance for the operation of a motor vehicle
30 required pursuant to NRS 485.185 is provided by a contract of
31 insurance, the insurer ~~[shall:~~

32 ~~1. Provide:] :~~

33 **1. Shall provide** evidence of insurance to the insured on a form
34 approved by the Commissioner. The evidence of insurance must
35 include:

- 36 (a) The name and address of the policyholder;
- 37 (b) The name and address of the insurer;
- 38 (c) The year, make and complete identification number of the
39 insured vehicle or vehicles;
- 40 (d) The term of the insurance, including the day, month and year
41 on which the policy:
 - 42 (1) Becomes effective; and
 - 43 (2) Expires;
- 44 (e) The number of the policy;



(f) A statement that the coverage meets the requirements set forth in NRS 485.185; and

(g) The statement "This card must be carried in the insured motor vehicle for production upon demand." The statement must be prominently displayed.

2. ~~Provide~~ *Shall provide* new evidence of insurance if:

(a) The information regarding the insured vehicle or vehicles required pursuant to paragraph (c) of subsection 1 no longer is accurate;

(b) An additional motor vehicle is added to the policy;

(c) A new number is assigned to the policy; or

(d) The insured notifies the insurer that the original evidence of insurance has been lost.

3. May provide on the form described in subsection 1 information regarding a location to which the insured vehicle or vehicles must be removed pursuant to subsection 4 of NRS 484.397.

Sec. 7. NRS 706.4467 is hereby amended to read as follows:

706.4467 In towing and storing a towed motor vehicle, cargo and personal property, the operator shall:

1. Treat original and substituted accessories and equipment of the motor vehicle as part of the vehicle rather than personal property.

2. Protect from theft and damage a towed motor vehicle, cargo and personal property which comes into his possession as the result of a tow.

3. Provide access during normal business hours to motor vehicles which were towed to the owner, or the agent of the owner.

4. Establish procedures that allow the owner, or agent of the owner, of a towed motor vehicle access to the vehicle or to obtain the release of the vehicle during those periods in which the operator is not normally open for such transactions.

5. Not hold or retain any cargo or personal property which comes into his possession as the result of towing as security or for any purpose other than compliance with the direction of appropriate law enforcement agencies.

6. Afford the owner of the vehicle or his agent the opportunity to inspect and inventory the vehicle before release to detect damage or theft of property. If damage or theft is detected, the operator shall:

(a) Resolve the complaint to the satisfaction of the claimant; or

(b) Identify the carrier of its insurance and explain the procedure for filing a claim.



- 1 7. *If applicable, follow the directions of a police officer, as*
- 2 *that term is defined in NRS 484.118, in accordance with the*
- 3 *provisions of subsections 4 and 5 of NRS 484.397.*



