

ASSEMBLY BILL NO. 185—COMMITTEE ON TRANSPORTATION

FEBRUARY 27, 2007

Referred to Committee on Transportation

SUMMARY—Prohibits an insurer of motor vehicles from having an ownership interest in a garage or body shop. (BDR 43-453)

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 insurers of motor vehicles; prohibiting an insurer of motor vehicles from having an ownership interest in a garage or body shop in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 **Sections 2, 3 and 6** of this bill prohibit an insurer of motor vehicles from
2 owning an interest in a garage or body shop in this State. **Section 7** of this bill
3 requires an insurer of motor vehicles that owns an interest in a garage or body shop
4 in this State to divest itself of that interest by December 31, 2007.

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

1 **Section 1.** Chapter 487 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act:
3 **Sec. 2.** *Pursuant to section 6 of this act, an insurer of motor*
4 *vehicles may not own an interest in a garage.*
5 **Sec. 3.** *Pursuant to section 6 of this act, an insurer of motor*
6 *vehicles may not own an interest in a body shop.*
7 **Sec. 4.** NRS 487.530 is hereby amended to read as follows:
8 487.530 As used in NRS 487.530 to 487.570, inclusive, *and*
9 *section 2 of this act*, unless the context otherwise requires, the
10 words and terms defined in NRS 487.535 to 487.550, inclusive, *and*



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1 *section 2 of this act* have the meanings ascribed to them in those
2 sections.

3 **Sec. 5.** NRS 487.600 is hereby amended to read as follows:

4 487.600 As used in NRS 487.610 to 487.690, inclusive, *and*
5 *section 3 of this act*, “body shop” means any place where the body
6 of a motor vehicle is painted, fixed, repaired or replaced for
7 compensation.

8 **Sec. 6.** Chapter 690B of NRS is hereby amended by adding
9 thereto a new section to read as follows:

10 *An insurer of motor vehicles may not own an interest in a*
11 *garage or body shop in this State.*

12 **Sec. 7.** An insurer of motor vehicles that owns an interest in a
13 garage or body shop in this State shall divest itself of that interest in
14 the garage or body shop by December 31, 2007.

15 **Sec. 8.** This act becomes effective on July 1, 2007.

