

ASSEMBLY BILL NO. 2—ASSEMBLYMAN ANDERSON

PREFILED DECEMBER 12, 2006

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to automotive repairs.
(BDR 52-92)

FISCAL NOTE: Effect on Local Government: Increases or Newly
Provides for Term of Imprisonment in County or City
Jail or Detention Facility.
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 automotive repairs; requiring a garage or body shop to repair a motor vehicle in accordance with the written estimate or statement of the cost of repairs provided by the garage, body shop or person authorizing the repairs; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Garages that perform repairs of \$50 or more on motor vehicles are required by existing law to provide the person authorizing the repairs with a written estimate of the total cost to repair the motor vehicle. (NRS 597.510) If additional charges are required to perform the repairs, the garage is required to obtain the consent of the person authorizing the repairs before it may perform the repairs for the additional charges. (NRS 597.520, 597.540) A person authorizing repairs of a motor vehicle may waive the requirement for a written estimate or approval of additional charges. (NRS 597.530)

Sections 1 and 6 of this bill require garages and body shops to perform repairs to a motor vehicle in accordance with the written estimate or statement of the cost of the repairs. If the garage or body shop is unable to perform the repairs in accordance with the written estimate or statement, the garage or body shop is required to notify the person authorizing the repairs and obtain the person's consent before performing any repairs to the motor vehicle.

Sections 3 and 4 of this bill authorize injunctive relief and civil penalties for a violation of the provisions of **section 1** of this bill. **Section 8** of this bill authorizes the Department of Motor Vehicles to refuse to issue a license or to suspend, revoke



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or refuse to renew the license of a body shop for willful failure to comply with the provisions of **section 6** of this bill.

Sections 1 and 9 of this bill make the violation of any provision of **section 1** or **6** of this bill a misdemeanor.

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

Section 1. Chapter 597 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A garage that accepts a motor vehicle for repairs shall perform the repairs in accordance with the written estimate or statement of the cost of the repairs that is provided by the garage or the person authorizing repairs.

2. If the garage is not able to perform the repairs in accordance with the written estimate or statement, it shall notify the person authorizing repairs of that fact and the reasons therefor and shall not perform any repairs to the motor vehicle unless it obtains the consent of that person.

3. Any person who violates any provision of this section is guilty of a misdemeanor.

Sec. 2. NRS 597.480 is hereby amended to read as follows:
597.480 As used in NRS 597.480 to 597.590, inclusive, *and section 1 of this act*, unless the context otherwise requires:

1. "Garage" has the meaning ascribed to it in NRS 487.540.

2. "Garageman" has the meaning ascribed to it in NRS 487.545.

3. "Motor vehicle" means:

- (a) A motorcycle as defined in NRS 482.070;
- (b) A motortruck as defined in NRS 482.073 if the gross weight of the vehicle does not exceed 10,000 pounds;
- (c) A passenger car as defined in NRS 482.087;
- (d) A mini motor home as defined in NRS 482.066;
- (e) A motor home as defined in NRS 482.071; and
- (f) A recreational vehicle as defined in NRS 482.101.

4. "Person authorizing repairs" means a person who uses the services of a garage. The term includes an insurance company, its agents or representatives, authorizing repairs to motor vehicles under a policy of insurance.

Sec. 3. NRS 597.580 is hereby amended to read as follows:
597.580 The Attorney General or any district attorney may bring an action in any court of competent jurisdiction in the name of the State of Nevada on the complaint of the Commissioner of Consumer Affairs or of any person allegedly aggrieved by such



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violation to enjoin any violation of the provisions of NRS 597.510 to 597.570, inclusive ~~H~~, *and section 1 of this act.*

Sec. 4. NRS 597.590 is hereby amended to read as follows:

597.590 Any person who knowingly violates any provision of NRS 597.500 to 597.570, inclusive, *and section 1 of this act* is liable, in addition to any other penalty or remedy which may be provided by law, to a civil penalty of not more than \$500 for each offense, which may be recovered by civil action on complaint of the Commissioner of Consumer Affairs, the Director of the Department of Business and Industry or the district attorney.

Sec. 5. NRS 598.990 is hereby amended to read as follows:

598.990 The Division shall:

1. Establish and maintain a toll-free telephone number for persons to report to the Division information concerning alleged violations of NRS 487.035, 487.530 to 487.570, inclusive, 597.480 to 597.590, inclusive, and *section 1 of this act, and* 598.0903 to 598.0999, inclusive.

2. Develop a program to provide information to the public concerning:

(a) The duties imposed on a garageman by the provisions of NRS 487.035, 487.530 to 487.570, inclusive, and 597.480 to 597.590, inclusive ~~H~~, *and section 1 of this act;*

(b) The rights and protections established for a person who uses the services of a garage;

(c) The repair of motor vehicles; and

(d) Deceptive trade practices relating to the repair of motor vehicles by a garage.

Sec. 6. Chapter 487 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A body shop that accepts a motor vehicle for repairs shall perform the repairs in accordance with the written estimate or statement of the cost of the repairs that is provided by the body shop or the person authorizing repairs.

2. If the body shop is not able to perform the repairs in accordance with the written estimate or statement, it shall notify the person authorizing repairs of that fact and the reasons therefor and shall not perform any repairs to the motor vehicle unless it obtains the consent of that person.

3. As used in this section, "person authorizing repairs" means a person who uses the services of a body shop. The term includes an insurance company, its agents or representatives, authorizing repairs to motor vehicles under a policy of insurance.



1 **Sec. 7.** NRS 487.600 is hereby amended to read as follows:
2 487.600 As used in NRS 487.610 to 487.690, inclusive, **and**
3 **section 6 of this act**, “body shop” means any place where the body
4 of a motor vehicle is painted, fixed, repaired or replaced for
5 compensation.

6 **Sec. 8.** NRS 487.650 is hereby amended to read as follows:

7 487.650 1. The Department may refuse to issue a license or,
8 after notice and hearing, may suspend, revoke or refuse to renew a
9 license to operate a body shop upon any of the following grounds:

10 (a) Failure of the applicant or licensee to have or maintain an
11 established place of business in this State.

12 (b) Conviction of the applicant or licensee or an employee of the
13 applicant or licensee of a felony, or of a misdemeanor or gross
14 misdemeanor for a violation of a provision of this chapter.

15 (c) Any material misstatement in the application for the license.

16 (d) Willful failure of the applicant or licensee to comply with the
17 motor vehicle laws of this State and NRS 487.035, 487.610 to
18 487.690, inclusive, **and section 6 of this act**, or 597.480 to 597.590,
19 inclusive **H**, **and section 1 of this act**.

20 (e) Failure or refusal by the licensee to pay or otherwise
21 discharge any final judgment against him arising out of the
22 operation of the body shop.

23 (f) Failure or refusal to provide to the Department an
24 authorization for the disclosure of financial records for the business
25 as required pursuant to subsection 2.

26 (g) A finding of guilt by a court of competent jurisdiction in a
27 case involving a fraudulent inspection, purchase, sale or transfer of a
28 salvage vehicle by the applicant or licensee or an employee of the
29 applicant or licensee.

30 (h) An improper, careless or negligent inspection of a salvage
31 vehicle pursuant to NRS 487.800 by the applicant or licensee or an
32 employee of the applicant or licensee.

33 (i) A false statement of material fact in a certification of a
34 salvage vehicle pursuant to NRS 487.800 or a record regarding a
35 salvage vehicle by the applicant or licensee or an employee of the
36 applicant or licensee.

37 2. Upon the receipt of any report or complaint alleging that an
38 applicant or a licensee has engaged in financial misconduct or has
39 failed to satisfy financial obligations related to the operation of a
40 body shop, the Department may require the applicant or licensee to
41 submit to the Department an authorization for the disclosure of
42 financial records for the business as provided in NRS 239A.090.
43 The Department may use any information obtained pursuant to such
44 an authorization only to determine the suitability of the applicant or
45 licensee for initial or continued licensure. Information obtained



1 pursuant to such an authorization may be disclosed only to those
2 employees of the Department who are authorized to issue a license
3 to an applicant pursuant to NRS 487.610 to 487.690, inclusive, *and*
4 *section 6 of this act* or to determine the suitability of an applicant or
5 a licensee for ~~such~~ licensure.
6 3. As used in this section, “salvage vehicle” has the meaning
7 ascribed to it in NRS 487.770.
8 **Sec. 9.** NRS 487.690 is hereby amended to read as follows:
9 487.690 Any person who violates any of the provisions of NRS
10 487.610 to 487.680, inclusive, *and section 6 of this act* is guilty of a
11 misdemeanor.

