

Amendment No. 679

Senate Amendment to Assembly Bill No. 2 First Reprint (BDR 52-92)

Proposed by: Senate Committee on Commerce and Labor**Amends:** Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: No

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold* is newly added transitory language.

TL/TMC



Date: 5/7/2007

A.B. No. 2—Revises provisions relating to automotive repairs. (BDR 52-92)



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 specifications of the manufacturer of the motor vehicle and the written estimate or statement of the cost of repairs most recently agreed upon by the garage or body shop and the person authorizing the repairs; requiring a body shop to comply with certain other requirements relating to the repair of a motor vehicle; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a garage is required to display a sign in a conspicuous area of the garage setting forth the rights of the customer, including, without limitation, the right to receive a written estimate of charges and to inspect all replaced parts. (NRS 597.490) In addition, 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)

Section 1 of this bill requires garages and body shops to perform repairs to a motor vehicle in accordance with the specifications of the manufacturer of the motor vehicle, if any, and the written estimate or statement of the cost of the repairs that is most recently agreed upon by the body shop or garage and the person authorizing the repairs.

Sections 2-10 of this bill make existing provisions of law that are applicable to garages and garagemen also apply to body shops. Those provisions include, without limitation, the requirement to post a sign in a conspicuous area of the body shop setting forth the rights of customers of the body shop.

Sections 11 and 12 of this bill authorize injunctive relief and civil penalties for a violation of the provisions of **section 1** of this bill. **Section 16** of this bill authorizes the Department of Motor Vehicles to refuse to issue a license or to suspend, revoke or refuse to

renew the license of a body shop for willful failure to comply with the provisions of **section 1** of this bill.

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:

If a body shop or garage performs repairs on a motor vehicle, the body shop or garage shall perform the repairs in accordance with any specifications of the manufacturer of the motor vehicle, and the written estimate or statement of the cost of the repairs that is most recently agreed upon by the body shop or garage and the person authorizing repairs.

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. *“Body shop” has the meaning ascribed to it in NRS 487.600.*

2. “Garage” has the meaning ascribed to it in NRS 487.540.

~~2.~~ 3. “Garage” has the meaning ascribed to it in NRS 487.545.

~~3.~~ 4. “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.~~ 5. “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 597.490 is hereby amended to read as follows:

597.490 1. Each garageman shall display conspicuously in those areas of his place of business frequented by persons seeking repairs on motor vehicles a sign, not less than 22 inches by 28 inches in size, setting forth in boldface letters the following:

STATE OF NEVADA

REGISTERED GARAGE

THIS GARAGE IS REGISTERED WITH THE
DEPARTMENT OF MOTOR VEHICLES

NEVADA AUTOMOTIVE REPAIR CUSTOMER
BILL OF RIGHTS

AS A CUSTOMER IN NEVADA:

YOU have the right to receive repairs from a business that is **REGISTERED** with the Department of Motor Vehicles that will ensure the proper repair of your vehicle. (NRS 597.490)

1 **YOU** have the right to receive a **WRITTEN ESTIMATE** of charges for repairs
2 made to your vehicle which exceed \$50. (NRS 597.510)

3
4 **YOU** have the right to read and understand all documents and warranties **BEFORE**
5 **YOU SIGN THEM.** (NRS 597.490)

6
7 **YOU** have the right to **INSPECT ALL REPLACED PARTS** and accessories that
8 are covered by a warranty and for which a charge is made. (NRS 597.550)

9
10 **YOU** have the right to request that all replaced parts and accessories that are not
11 covered by a warranty **BE RETURNED TO YOU AT THE TIME OF**
12 **SERVICE.** (NRS 597.550)

13
14 **YOU** have the right to require authorization **BEFORE** any additional repairs are
15 made to your vehicle if the charges for those repairs exceed 20% of the original
16 estimate or \$100, whichever is less. (NRS 597.520)

17
18 **YOU** have the right to receive a **COMPLETED STATEMENT OF CHARGES**
19 for repairs made to your vehicle. (NRS 487.035)

20
21 **YOU** have the right to a **FAIR RESOLUTION** of any dispute that develops
22 concerning the repair of your vehicle. (NRS 597.490)

23
24 FOR MORE INFORMATION PLEASE CONTACT:

25
26 THE DEPARTMENT OF BUSINESS AND INDUSTRY

27
28 CONSUMER AFFAIRS DIVISION

29
30 IN CLARK COUNTY: (702) 486-7355

31
32 ALL OTHER AREAS TOLL-FREE: 1-800-326-5202

33
34 2. *Each body shop shall display conspicuously in those areas of its place of*
35 *business frequented by persons seeking repairs on motor vehicles a sign, not less*
36 *than 22 inches by 28 inches in size, setting forth in boldface letters the following:*

37
38 **STATE OF NEVADA**

39
40 **LICENSED BODY SHOP**

41
42 **THIS BODY SHOP IS LICENSED BY THE**
43 **DEPARTMENT OF MOTOR VEHICLES**

44
45 **NEVADA AUTOMOTIVE REPAIR CUSTOMER**
46 **BILL OF RIGHTS**

47
48 **AS A CUSTOMER IN NEVADA:**

49
50 **YOU** have the right to receive repairs from a business that is **LICENSED** with the
51 **Department of Motor Vehicles** that will ensure the proper repair of your vehicle.
52 (NRS 597.490)

YOU have the right to receive a WRITTEN ESTIMATE of charges for repairs made to your vehicle which exceed \$50. (NRS 597.510)

YOU have the right to read and understand all documents and warranties BEFORE YOU SIGN THEM. (NRS 597.490)

YOU have the right to INSPECT ALL REPLACED PARTS and accessories that are covered by a warranty and for which a charge is made. (NRS 597.550)

YOU have the right to request that all replaced parts and accessories that are not covered by a warranty BE RETURNED TO YOU AT THE TIME OF SERVICE. (NRS 597.550)

YOU have the right to require authorization BEFORE any additional repairs are made to your vehicle if the charges for those repairs exceed 20% of the original estimate or \$100, whichever is less. (NRS 597.520)

YOU have the right to receive a COMPLETED STATEMENT OF CHARGES for repairs made to your vehicle. (NRS 487.035)

YOU have the right to a FAIR RESOLUTION of any dispute that develops concerning the repair of your vehicle. (NRS 597.490)

FOR MORE INFORMATION PLEASE CONTACT:

THE DEPARTMENT OF BUSINESS AND INDUSTRY

CONSUMER AFFAIRS DIVISION

IN CLARK COUNTY: (702) 486-7355

ALL OTHER AREAS TOLL-FREE: 1-800-326-5202

3. The sign required pursuant to the provisions of subsection 1 **or 2** must include a replica of the great seal of the State of Nevada. The seal must be 2 inches in diameter and be centered on the face of the sign directly above the words "STATE OF NEVADA."

~~3.~~ **4.** Any person who violates the provisions of this section is guilty of a misdemeanor.

Sec. 4. NRS 597.500 is hereby amended to read as follows:

597.500 Whenever any **body shop or** garageman accepts or assumes control of a motor vehicle for the purpose of making or completing any repair, ~~he~~ **the body shop or garageman** shall comply with the provisions of NRS 597.510 to 597.570, inclusive ~~1~~, **and section 1 of this act.**

Sec. 5. NRS 597.510 is hereby amended to read as follows:

597.510 1. Except as otherwise provided in NRS 597.530, a person requesting or authorizing the repair of a motor vehicle that is more than \$50 must be furnished an estimate or statement signed by the person making the estimate or statement on behalf of the **body shop or** garageman, indicating the total charge for the performance of the work necessary to accomplish the repair, including the charge for labor and all parts and accessories necessary to perform the work.

2. If the estimate is for the purpose of diagnosing a malfunction, the estimate must include the cost of:

(a) Diagnosis and disassembly; and

(b) Reassembly, if the person does not authorize the repair.

3. The provisions of this section do not require a *body shop or* garageman to reassemble a motor vehicle if he determines that the reassembly of the motor vehicle would render the vehicle unsafe to operate.

Sec. 6. NRS 597.520 is hereby amended to read as follows:

597.520 Except as otherwise provided in NRS 597.530, if it is determined that additional charges are required to perform the repair authorized, and those additional charges exceed, by 20 percent or \$100, whichever is less, the amount set forth in the estimate or statement required to be furnished pursuant to the provisions of NRS 597.510, the *body shop or* garageman shall notify the ~~the repairs~~ *owner and insurer of the motor vehicle* of the amount of those additional charges.

Sec. 7. NRS 597.540 is hereby amended to read as follows:

597.540 1. ~~{A person authorizing repairs}~~ *An owner ~~for~~ and the insurer of a motor vehicle* who ~~has~~ *have* been notified of additional charges pursuant to NRS 597.520 shall:

(a) Authorize the performance of the repair at the additional expense; or

(b) Without delay, and upon payment of the authorized charges, take possession of the motor vehicle.

2. Until the election provided for in subsection 1 has been made, the *body shop or* garageman shall not undertake any repair which would involve such additional charges.

3. If the ~~{person}~~ *owner or insurer of the motor vehicle* elects to take possession of the motor vehicle but fails to take possession within a 24-hour period after ~~{such}~~ *the* election, the *body shop or* garageman may charge for storage of the vehicle.

Sec. 8. NRS 597.550 is hereby amended to read as follows:

597.550 1. Whenever the repair work performed on a motor vehicle requires the replacement of any parts or accessories, the *body shop or* garageman shall, at the request of the person authorizing the repairs or any person entitled to possession of the motor vehicle, deliver to ~~{such}~~ *the* person all parts and accessories replaced as a result of the work done.

2. The provisions of subsection 1 do not apply to parts or accessories which must be returned to a manufacturer or distributor under a warranty arrangement or which are subject to exchange, but the customer on request is entitled to be shown ~~{such}~~ *the* warranty parts for which a charge is made.

Sec. 9. NRS 597.560 is hereby amended to read as follows:

597.560 The *body shop or* garageman shall retain copies of any estimate, statement or waiver required by NRS 597.510 to 597.550, inclusive, as an ordinary business record of the *body shop or* garage, for a period of not less than 1 year ~~{from}~~ *after* the date ~~{such}~~ *the* estimate, statement or waiver is signed.

Sec. 10. NRS 597.570 is hereby amended to read as follows:

597.570 In every instance where charges are made for the repair of a motor vehicle ~~{}~~ *by a garageman*, the garageman making the repairs shall comply with the provisions of NRS 487.035 as well as the provisions of NRS 597.510 to 597.550, inclusive. ~~{He}~~ *A garageman* is not entitled to detain a motor vehicle by virtue of any common law or statutory lien, or otherwise enforce such *a* lien, ~~{nor shall he have the right}~~ *or* to sue on any contract for repairs made by him, unless he has complied with the requirements of NRS 597.510 to 597.550, inclusive, in addition to those of NRS 487.035.

1 **Sec. 11.** NRS 597.580 is hereby amended to read as follows:

2 597.580 The Attorney General or any district attorney may bring an action in
3 any court of competent jurisdiction in the name of the State of Nevada on the
4 complaint of the Commissioner of Consumer Affairs or of any person allegedly
5 aggrieved by such violation to enjoin any violation of the provisions of NRS
6 597.510 to 597.570, inclusive ~~§~~, *and section 1 of this act.*

7 **Sec. 12.** NRS 597.590 is hereby amended to read as follows:

8 597.590 Any person who knowingly violates any provision of NRS 597.500
9 to 597.570, inclusive, *and section 1 of this act* is liable, in addition to any other
10 penalty or remedy which may be provided by law, to a civil penalty of not more
11 than \$500 for each offense, which may be recovered by civil action on complaint of
12 the Commissioner of Consumer Affairs, the Director of the Department of Business
13 and Industry or the district attorney.

14 **Sec. 13.** NRS 598.990 is hereby amended to read as follows:

15 598.990 The Division shall:

16 1. Establish and maintain a toll-free telephone number for persons to report to
17 the Division information concerning alleged violations of NRS 487.035, 487.530 to
18 487.570, inclusive, 597.480 to 597.590, inclusive, and *section 1 of this act, and*
19 598.0903 to 598.0999, inclusive.

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

21 (a) The duties imposed on a *body shop by the provisions of NRS 487.035,*
22 *487.610 to 487.690, inclusive, and 597.480 to 597.590, inclusive, and section 1 of*
23 *this act;*

24 (b) *The duties imposed on a* garageman by the provisions of NRS 487.035,
25 487.530 to 487.570, inclusive, and 597.480 to 597.590, inclusive ~~§~~

26 ~~—(b)§~~, *and section 1 of this act;*

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

29 ~~§(c)§~~ (d) The repair of motor vehicles; and

30 ~~§(d)§~~ (e) Deceptive trade practices relating to the repair of motor vehicles by a
31 garage.

32 **Sec. 14.** (Deleted by amendment.)

33 **Sec. 15.** (Deleted by amendment.)

34 **Sec. 16.** NRS 487.650 is hereby amended to read as follows:

35 487.650 1. The Department may refuse to issue a license or, after notice and
36 hearing, may suspend, revoke or refuse to renew a license to operate a body shop
37 upon any of the following grounds:

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

40 (b) Conviction of the applicant or licensee or an employee of the applicant or
41 licensee of a felony, or of a misdemeanor or gross misdemeanor for a violation of a
42 provision of this chapter.

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

44 (d) Willful failure of the applicant or licensee to comply with the motor vehicle
45 laws of this State and NRS 487.035, 487.610 to 487.690, inclusive, or 597.480 to
46 597.590, inclusive ~~§~~, *and section 1 of this act.*

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

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

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

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

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

7 2. Upon the receipt of any report or complaint alleging that an applicant or a
8 licensee has engaged in financial misconduct or has failed to satisfy financial
9 obligations related to the operation of a body shop, the Department may require the
10 applicant or licensee to submit to the Department an authorization for the disclosure
11 of financial records for the business as provided in NRS 239A.090. The Department
12 may use any information obtained pursuant to such an authorization only to
13 determine the suitability of the applicant or licensee for initial or continued
14 licensure. Information obtained pursuant to such an authorization may be disclosed
15 only to those employees of the Department who are authorized to issue a license to
16 an applicant pursuant to NRS 487.610 to 487.690, inclusive, or to determine the
17 suitability of an applicant or a licensee for ~~such~~ licensure.

18 3. As used in this section, "salvage vehicle" has the meaning ascribed to it in
19 NRS 487.770.

20 **Sec. 17.** (Deleted by amendment.)