

SENATE BILL NO. 142—COMMITTEE ON
COMMERCE, LABOR AND ENERGY

FEBRUARY 10, 2011

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Makes various changes concerning the towing and storage of motor vehicles. (BDR 58-924)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 motor vehicles; prohibiting operators of tow cars from imposing certain fees under certain circumstances; requiring the use of competitive bidding for local government contracts for towing services; authorizing an insurer to tow and store a motor vehicle upon notification to its owner that the motor vehicle has been declared a total loss; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prohibits a tow car operator who stores a motor vehicle that was towed at the request of a law enforcement officer following an accident involving the vehicle from charging the owner of the vehicle a fee for the towing and storage of the vehicle for more than 21 days after placing the vehicle in storage. (NRS 706.4479) **Section 1** of this bill also prohibits a tow car operator who tows and stores such a vehicle from imposing any administrative or processing fee, or any fee relating to the auction of the vehicle, for the first 14 days after the date on which the vehicle was placed in storage, but provides no limitation on the period during which those fees may be imposed.

Under existing law, local governments are required to use competitive bidding when contracting for the purchase of certain goods and services. (Chapter 332 of NRS) **Section 2** of this bill requires local governments to use competitive bidding when contracting with tow car operators for towing services.

Section 3 of this bill provides that the owner of a motor vehicle who makes a claim under an insurance policy for damages to the vehicle is deemed to have given permission for the insurer to tow and store the vehicle at the insurer's expense upon receipt of notice from the insurer that it has declared the vehicle a total loss. The insurer is not required to obtain any other release from the owner before towing and storing the vehicle.



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

1 **Section 1.** NRS 706.4479 is hereby amended to read as
2 follows:

3 706.4479 1. If a motor vehicle is towed at the request of
4 someone other than the owner, or authorized agent of the owner, of
5 the motor vehicle, the operator shall, in addition to the requirements
6 set forth in the provisions of chapter 108 of NRS:

7 (a) Notify the registered and legal owner of the motor vehicle by
8 certified mail not later than 21 days after placing the motor vehicle
9 in storage if the motor vehicle was towed at the request of a law
10 enforcement officer following an accident involving the motor
11 vehicle or not later than 15 days after placing any other vehicle in
12 storage:

13 (1) Of the location where the motor vehicle is being stored;
14 (2) Whether the storage is inside a locked building, in a
15 secured, fenced area or in an unsecured, open area;

16 (3) Of the charge for towing and storage;
17 (4) Of the date and time the vehicle was placed in storage;
18 (5) Of the actions that the registered and legal owner of the
19 vehicle may take to recover the vehicle while incurring the lowest
20 possible liability in accrued assessments, fees, penalties or other
21 charges; and

22 (6) Of the opportunity to rebut the presumptions set forth in
23 NRS 487.220 and 706.4477.

24 (b) If the identity of the registered and legal owner is not known
25 or readily available, make every reasonable attempt and use all
26 resources reasonably necessary, as evidenced by written
27 documentation, to obtain the identity of the owner and any other
28 necessary information from the agency charged with the registration
29 of the motor vehicle in this State or any other state within:

30 (1) Twenty-one days after placing the motor vehicle in
31 storage if the motor vehicle was towed at the request of a law
32 enforcement officer following an accident involving the motor
33 vehicle; or

34 (2) Fifteen days after placing any other motor vehicle in
35 storage.

36 ↪ The operator shall attempt to notify the owner of the vehicle by
37 certified mail as soon as possible, but in no case later than 15 days
38 after identification of the owner is obtained for any motor vehicle.



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2. If an operator includes in the operator's tariff a fee to be charged to the registered and legal owner of a vehicle for the towing and storage of the vehicle, the fee may not be charged:

(a) For more than 21 days after placing the motor vehicle in storage if the motor vehicle was towed at the request of a law enforcement officer following an accident involving the motor vehicle; or

(b) For more than 15 days after placing any other vehicle in storage,

unless the operator complies with the requirements set forth in subsection 1.

3. If a motor vehicle that is placed in storage was towed at the request of a law enforcement officer following an accident involving the motor vehicle, the operator shall not impose any administrative fee or processing fee with respect to the motor vehicle or any fee relating to the auction of the motor vehicle for the period ending 14 days after the date on which the motor vehicle was placed in storage.

Sec. 2. Chapter 332 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A contract with a tow car operator for towing services is subject to the requirements of this chapter for competitive bidding.

2. As used in this section, "towing services" has the meaning ascribed to it in NRS 706.132.

Sec. 3. Chapter 690B of NRS is hereby amended by adding thereto a new section to read as follows:

The owner of a motor vehicle who makes a claim under a policy of insurance for damages to the motor vehicle shall be deemed to have given his or her consent for the motor vehicle to be towed and placed in storage at the direction and expense of the insurer upon being given notice that the insurer has declared the vehicle a total loss. The insurer is not required to obtain any other form of release from the owner of the motor vehicle to have the motor vehicle towed and placed in storage.

