

SENATE BILL NO. 407—COMMITTEE ON TRANSPORTATION

MARCH 28, 2011

Referred to Committee on Transportation

SUMMARY—Revises provisions relating to tow cars.
(BDR 58-1031)

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 tow cars; authorizing an insurance company to designate certain vehicle storage lots to which certain vehicles must be towed under certain circumstances; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 **Section 1** of this bill authorizes an insurance company to designate certain
2 vehicle storage lots to which certain vehicles insured by the company must be
3 towed under certain circumstances. **Section 1** also makes it a misdemeanor for an
4 operator of a tow car to fail to deliver such a vehicle to the designated vehicle
5 storage lot under certain circumstances.

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

- 1 **Section 1.** Chapter 706 of NRS is hereby amended by adding
2 thereto a new section to read as follows:
3 ***1. An insurance company may designate a vehicle storage lot***
4 ***to which all inoperable vehicles or stolen vehicles that have been***
5 ***recovered which are insured by the company must be towed by a***
6 ***tow car which responds to the scene of an accident or theft***
7 ***recovery pursuant to a summons by a law enforcement agency.***
8 ***Such a designation must be provided in writing by the insurance***
9 ***company or the operator of the vehicle storage lot to all:***



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(a) Law enforcement agencies; and
(b) Tow companies that have obtained certificates of public convenience and necessity,
↳ located in the county in which the vehicle storage lot is situated.

2. A law enforcement officer shall advise an operator of a tow car of the identity of an insurance company that provides coverage for a vehicle and direct the operator of the tow car to deliver the vehicle directly to a designated vehicle storage lot if:

(a) The vehicle:

(1) Is inoperable because of an accident or was recovered after having been stolen;

(2) Is not otherwise subject to impoundment; and

(3) Is insured by an insurance company that has designated a vehicle storage lot pursuant to subsection 1;

(b) The accident or recovery takes place in a county whose population is 100,000 or more; and

(c) The registered or legal owner of the vehicle or a representative of the insurance company has not directed otherwise.

3. If, after having been advised and directed pursuant to subsection 2, an operator of a tow car fails to tow the vehicle to the vehicle storage lot designated by the insurance company, the operator:

(a) Is guilty of a misdemeanor;

(b) Shall forfeit the charge for towing and storage; and

(c) Shall tow the vehicle, free of charge, to the vehicle storage lot designated by the insurance company not later than 72 hours after receiving a demand, in writing, from the insurance company.

4. A vehicle storage lot must:

(a) Include an area at least 10 acres in size with the capacity of storing not less than 1,300 vehicles.

(b) Be separated from other business activities by a wall composed of concrete blocks or similar building material at least 6 feet in height constructed around the perimeter of the vehicle storage lot.

(c) Comply with the requirements imposed pursuant to NRS 706.4485 on an operator of a tow car by the largest law enforcement agency in the county in which the operator is situated, including, without limitation, requirements related to:

(1) Towing;

(2) Storage of privately owned vehicles; and

(3) Other related services.

(d) Comply with all applicable local laws and ordinances, including, without limitation, local laws and ordinances relating to



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business licenses, zoning, building and fire codes, parking, paving, lighting and security.

5. The interior of a vehicle storage lot must:

(a) Be equipped with 24-hour video monitoring; and

(b) Include at least one enclosed building that is:

(1) Capable of being secured from entry by unauthorized persons; and

(2) Large enough to store not fewer than 10 vehicles.

6. As used in this section:

(a) "Boat" includes any vessel or other watercraft, other than a seaplane, used or capable of being used as a means of transportation on the water.

(b) "Vehicle" has the meaning ascribed to it in NRS 706.146 and also includes all-terrain vehicles and boats.

Sec. 2. NRS 706.286 is hereby amended to read as follows:

706.286 1. When a complaint is made against any fully regulated carrier or operator of a tow car by any person, that:

(a) Any of the rates, tolls, charges or schedules, or any joint rate or rates assessed by any fully regulated carrier or by any operator of a tow car for towing services performed without the prior consent of the owner of the vehicle or the person authorized by the owner to operate the vehicle are in any respect unreasonable or unjustly discriminatory;

(b) Any of the provisions of NRS 706.445 to 706.453, inclusive, *or section 1 of this act* have been violated;

(c) Any regulation, measurement, practice or act directly relating to the transportation of persons or property, including the handling and storage of that property, is, in any respect, unreasonable, insufficient or unjustly discriminatory; or

(d) Any service is inadequate,

➔ the Authority shall investigate the complaint. After receiving the complaint, the Authority shall give a copy of it to the carrier or operator of a tow car against whom the complaint is made. Within a reasonable time thereafter, the carrier or operator of a tow car shall provide the Authority with its written response to the complaint according to the regulations of the Authority.

2. If the Authority determines that probable cause exists for the complaint, it shall order a hearing thereof, give notice of the hearing and conduct the hearing as it would any other hearing.

3. No order affecting a rate, toll, charge, schedule, regulation, measurement, practice or act complained of may be entered without a formal hearing unless the hearing is dispensed with as provided in NRS 706.2865.



- 1 **Sec. 3.** NRS 706.453 is hereby amended to read as follows:
- 2 706.453 The provisions of NRS 706.445 to 706.451, inclusive,
- 3 *and section 1 of this act* do not apply to automobile wreckers who
- 4 are licensed pursuant to chapter 487 of NRS.

