

Amendment No. 434

Senate Amendment to Senate Bill No. 170

(BDR 43-582)

Proposed by: Senate Committee on Transportation**Amends:** Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

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 underlining* is newly added transitory language.

DLJ/WLK



Date: 4/16/2013

S.B. No. 170—Revises provisions governing the charges for storage of motor vehicles that are imposed by body shops. (BDR 43-582)



SENATE BILL NO. 170—COMMITTEE ON
COMMERCE, LABOR AND ENERGY

FEBRUARY 19, 2013

Referred to Committee on Transportation

SUMMARY—Revises provisions governing the charges for storage of motor vehicles that are imposed by body shops. (BDR 43-582)

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 body shops; authorizing a body shop to impose certain charges for storage of a motor vehicle; requiring that body shops include rates for storage of vehicles in written estimates; requiring that body shops notify certain registered owners of a motor vehicle of charges for storage; revising provisions governing information that body shops are required to submit to the Department of Motor Vehicles; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that a body shop may charge for storage of a motor vehicle if the owner or insurer of the motor vehicle elects to take possession of the motor vehicle instead of authorizing certain repairs and fails to take possession within 24 hours after that election. (NRS 487.6881) **Section 2** of this bill authorizes a body shop, under certain circumstances, to impose a charge for storage of a motor vehicle that is in the possession of the body shop ~~for (1) before the body shop receives authorization to repair the vehicle; and (2) not less than 24 hours after the person authorizing the repairs has been notified that the repairs are complete.~~ **for repairs.** **Section 2** also provides that any such charge for storage of a motor vehicle must not exceed an amount that is one and one-half times the average prevailing rate for storage charged by body shops in the same geographic area, as determined by the Department of Motor Vehicles, except that a body shop may request a hearing by the Department to show good cause as to why the body shop should be allowed to impose a charge which exceeds that limit.

Under existing law, a body shop must complete an on-line survey to report certain information, including the labor rate charged by the body shop, to the Department of Motor Vehicles within 60 days immediately preceding the date of submission of the application for renewal of the license of the body shop. (NRS 487.685) **Section 5** of this bill requires that a body shop also report to the Department in the on-line survey the ~~daily~~ rate charged by the body shop for storage of vehicles, if any, including both an indoor vehicle storage rate and an outdoor vehicle storage rate, if those rates differ. **Section 6** of this bill requires the Department to calculate and post the prevailing storage rates for each specific geographic area in a report that must be made available to the public on-line. (NRS 487.686)

Existing law requires a body shop to provide to a person requesting or authorizing the repair of a motor vehicle a written estimate or statement indicating the total charge for the repair, including the charge for labor and all parts and accessories necessary to perform the work. (NRS 487.6875) Existing law also requires a body shop to display in its place of business a sign setting forth various rights of the customer, including the right to receive a written estimate of charges for repairs made to the vehicle which exceed \$50. (NRS 487.6871) **Section 9** of this bill requires that the person requesting or authorizing the repair is also entitled to receive from the body shop a written statement of charges for storage of the vehicle, if any, which could exceed \$50. **Section 7** of this bill provides that the sign in a body shop which is required to set forth the various rights of the customer must also include language stating that the customer is entitled to receive a written statement of charges for storage of the vehicle, if any, which could exceed \$50. Section 7 also requires such signs to display the Internet address of the Division of Compliance Enforcement of the Department of Motor Vehicles and the telephone number of the closest office of the Division.

Section 3 of this bill provides that if a motor vehicle is towed to a body shop at the request of someone other than the registered owner or an authorized agent of the owner, the body shop which receives the motor vehicle must ~~provide notice, return receipt requested, to~~ make reasonable attempts to notify the registered owner of the motor vehicle ~~which notice must include~~ of the location of the body shop and certain other information, including the storage fee, if any, charged by the body shop, vehicle. **Section 3** further provides that the body shop may ~~not~~ impose a charge for storage of such a motor vehicle ~~until it receives the return receipt from the registered owner of the vehicle.~~

Sections 12-14 of this bill provide for injunctive relief, civil penalties and a criminal misdemeanor penalty for violations of the provisions of this bill.

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

Section 1. Chapter 487 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. Except as otherwise provided in NRS 487.6881, ~~and section 3 of this act,~~ a body shop may impose a reasonable charge for storage of a motor vehicle that is in the possession of the body shop ~~if:~~

~~(a) Before the body shop receives authorization to repair the vehicle; and~~
~~(b) Not less than 24 hours after the person authorizing the repairs has been notified that the repairs are complete;~~ except that no such charge may be imposed;

(a) For any day when the motor vehicle is being repaired, inspected, test driven or otherwise worked on by the body shop;

(b) For any day when the motor vehicle is being inspected, test driven, reviewed or otherwise worked on by the insurer of the motor vehicle or by the body shop at the request of the insurer of the vehicle;

(c) For 24 hours after the person who authorized the repair of the motor vehicle has been notified that the repairs are completed; and

(d) For any day that the motor vehicle is not being repaired, inspected, test driven, reviewed or otherwise worked on due to a delay caused by anyone other than the owner of the motor vehicle, except that if the delay is due to the failure of the insurer to respond to a request by the body shop for inspection, authorization or other service by the insurer, a storage charge may be imposed 24 hours after the body shop made the request of the insurer.

2. Except as otherwise provided in subsection 3, the rate charged by a body shop for storage of a motor vehicle pursuant to subsection 1 shall be deemed reasonable if it does not exceed an amount equal to one and one-half times the

prevailing storage rates for the specific geographic area in which the body shop is located, as made available to the public pursuant to NRS 487.686.

3. A body shop that wishes to impose a charge for storage of a motor vehicle which exceeds the amount allowable pursuant to subsection 2 may petition the Department in writing for a hearing. The Department shall conduct a hearing within 30 days after receipt of the petition, or as soon thereafter as is practicable, and if practicable must be conducted in the county where the body shop is located. The scope of the hearing must be limited to evidence presented by the body shop of good cause to impose a charge for storage of a motor vehicle which exceeds the amount otherwise allowable pursuant to subsection 2. The hearing officer shall render his or her determination not later than 10 days after the date of the hearing. The decision of the hearing officer pursuant to this subsection is a final decision for purposes of judicial review.

Sec. 3. 1. If a motor vehicle is towed to a body shop at the request of someone other than the registered owner of the motor vehicle, the body shop shall ~~+~~

~~(a) If the motor vehicle is registered in this State, notify the registered owner of the motor vehicle by certified mail, return receipt requested, not later than 3 days after receiving the motor vehicle;~~

~~(1) Of the location of the body shop where the motor vehicle is being stored;~~

~~(2) Whether the storage is inside a locked building, in a secured, fenced area or in an unsecured, open area;~~

~~(3) Of the charge for storing the motor vehicle, if any;~~

~~(4) Of the date and time the motor vehicle was received by the body shop;~~

~~(5) Of the actions that the registered owner of the motor vehicle may take to incur the lowest possible liability in accrued storage charges; and~~

~~(6) That the charge for storing the motor vehicle will not begin to accrue until the return receipt signed by the registered owner is received by the body shop.~~

~~(b) If the motor vehicle is not registered in this State, make every reasonable attempt and use all resources reasonably necessary, as evidenced by written documentation, to obtain the identity of the owner and any other necessary information from the agency charged with the registration of the motor vehicle in this or any other state and send to notify the registered owner the notice described in paragraph (a).~~

~~(c) Not impose a charge for storage of the motor vehicle until the return receipt required by subsection 1 is signed by the registered owner and received by the body shop.~~ of the location of the vehicle.

2. Any charge imposed for storage of a motor vehicle pursuant to this section must meet the requirements of section 2 of this act.

Sec. 4. NRS 487.530 is hereby amended to read as follows:

487.530 As used in NRS 487.530 to 487.690, inclusive, and sections 2 and 3 of this act, unless the context otherwise requires, the words and terms defined in NRS 487.532 to 487.553, inclusive, have the meanings ascribed to them in those sections.

Sec. 5. NRS 487.685 is hereby amended to read as follows:

487.685 1. A body shop licensed in this State must complete an on-line survey within 60 days immediately preceding the date of the submission of the application for renewal of the license of the body shop.

2. The Department shall conduct the survey by providing a form on its website or other Internet site to be completed by each body shop and submitted electronically to the Department.

3. Each survey must include, without limitation:
- (a) The name and address of the body shop;
 - (b) The labor rate charged by the body shop; ~~and~~
 - (c) *The vehicle storage rate charged by the body shop, if any, both for indoor storage and outdoor storage, if those rates differ; and*
 - (d) Any other information the Department deems necessary.
4. The information obtained from each survey must be available to the public on-line not more than 30 days after the renewal of the body shop's license.

Sec. 6. NRS 487.686 is hereby amended to read as follows:

487.686 1. The Department must compile the results of each survey completed pursuant to NRS 487.685 in a report which must be made available to the public on-line. The report must include, without limitation:

- (a) The names and addresses of all body shops that complete the survey;
- (b) ~~The prevailing labor rate for~~ *For* body shops in a specific geographic area as established by the Department ~~and~~ :

- (1) The prevailing labor rate;*
- (2) The prevailing indoor vehicle storage rate; and*
- (3) The prevailing outdoor vehicle storage rate; and*

- (c) Any other information the Department deems necessary.

2. As used in this section ~~the~~ "prevailing" :

(a) *"Prevailing indoor vehicle storage rate" means the average daily charge for storing a motor vehicle indoors, as reported in the survey for a specific geographic area.*

(b) *"Prevailing labor rate" means the average labor rate , as reported in the survey ~~and~~ for a specific geographic area.*

(c) *"Prevailing outdoor vehicle storage rate" means the average daily charge for storing a motor vehicle outdoors, as reported in the survey for a specific geographic area.*

Sec. 7. NRS 487.6871 is hereby amended to read as follows:

487.6871 1. Each garage operator shall display conspicuously in those areas of his or her 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 487.6871)

YOU have the right to receive a **WRITTEN ESTIMATE** of charges for repairs made to your vehicle which exceed \$50. (NRS 487.6875)

YOU have the right to read and understand all documents and warranties **BEFORE YOU SIGN THEM**. (NRS 487.6871)

1 **YOU** have the right to **INSPECT ALL REPLACED PARTS** and
2 accessories that are covered by a warranty and for which a charge is made.
3 (NRS 487.6883)

4
5 **YOU** have the right to request that all replaced parts and accessories that
6 are not covered by a warranty **BE RETURNED TO YOU AT THE TIME**
7 **OF SERVICE**. (NRS 487.6883)

8
9 **YOU** have the right to require authorization **BEFORE** any additional
10 repairs are made to your vehicle if the charges for those repairs exceed 20%
11 of the original estimate or \$100, whichever is less. (NRS 487.6877)

12
13 **YOU** have the right to receive a **COMPLETED STATEMENT OF**
14 **CHARGES** for repairs made to your vehicle. (NRS 487.6893)

15
16 FOR MORE INFORMATION PLEASE CONTACT:

17
18 THE DEPARTMENT OF MOTOR VEHICLES

19
20 2. Each body shop shall display conspicuously in those areas of its place of
21 business frequented by persons seeking repairs on motor vehicles a sign, not less
22 than 22 inches by 28 inches in size, setting forth in boldface letters the following:

23
24 STATE OF NEVADA

25
26 LICENSED BODY SHOP

27
28 THIS BODY SHOP IS LICENSED BY THE DEPARTMENT OF
29 MOTOR VEHICLES

30
31 NEVADA AUTOMOTIVE REPAIR CUSTOMER BILL OF RIGHTS
32 AS A CUSTOMER IN NEVADA:

33
34 **YOU** have the right to receive repairs from a business that is **LICENSED**
35 with the Department of Motor Vehicles that will ensure the proper repair of
36 your vehicle. (NRS 487.6871)

37
38 **YOU** have the right to receive a **WRITTEN ESTIMATE** of charges for
39 repairs made to your vehicle which exceed \$50 ~~++~~ *and, if any, the rate of*
40 *and circumstances under which you will be charged more than \$50 for*
41 *the storage of your vehicle.* (NRS 487.6875)

42
43 **YOU** have the right to read and understand all documents and warranties
44 **BEFORE YOU SIGN THEM**. (NRS 487.6871)

45 **YOU** have the right to **INSPECT ALL REPLACED PARTS** and
46 accessories that are covered by a warranty and for which a charge is made.
47 (NRS 487.6883)

48
49 **YOU** have the right to request that all replaced parts and accessories that
50 are not covered by a warranty **BE RETURNED TO YOU AT THE TIME**
51 **OF SERVICE**. (NRS 487.6883)

1 **YOU** have the right to require authorization ***BEFORE*** any additional
2 repairs are made to your vehicle if the charges for those repairs exceed 20%
3 of the original estimate or \$100, whichever is less. (NRS 487.6877)

4
5 **YOU** have the right to receive a ***COMPLETED STATEMENT OF***
6 ***CHARGES*** for repairs made to your vehicle ***H and for storage of your***
7 ***vehicle, if applicable.*** (NRS 487.6893)

8
9 FOR MORE INFORMATION PLEASE CONTACT:

10
11 THE DEPARTMENT OF MOTOR VEHICLES

12
13 3. The sign required pursuant to the provisions of subsection 1 or 2 must
14 include a replica of the Great Seal of the State of Nevada. The Seal must be 2
15 inches in diameter and be centered on the face of the sign directly above the words
16 “STATE OF NEVADA.”

17 4. ***The sign required pursuant to the provisions of subsection 1 or 2 must***
18 ***also include the words “The Compliance Enforcement Division of the***
19 ***Department of Motor Vehicles can be reached at,” followed by the Internet***
20 ***address of the Compliance Enforcement Division and the telephone number of***
21 ***the nearest office of the Compliance Enforcement Division.***

22 5. Any person who violates the provisions of this section is guilty of a
23 misdemeanor.

24 **Sec. 8.** NRS 487.6873 is hereby amended to read as follows:

25 487.6873 Whenever any body shop or garage operator accepts or assumes
26 control of a motor vehicle for the purpose of making or completing any repair, the
27 body shop or garage operator shall comply with the provisions of NRS 487.6873 to
28 487.6893, inclusive ***H, and sections 2 and 3 of this act.***

29 **Sec. 9.** NRS 487.6875 is hereby amended to read as follows:

30 487.6875 1. Except as otherwise provided in NRS 487.6879, a person
31 requesting or authorizing the repair of a motor vehicle that is more than \$50 must
32 be furnished a written estimate or statement signed by the person making the
33 estimate or statement on behalf of the body shop or garage operator indicating the
34 total charge for the performance of the work necessary to accomplish the repair,
35 including the charge for labor and all parts and accessories necessary to perform the
36 work.

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

39 (a) Diagnosis and disassembly; and

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

41 3. ***In an estimate furnished pursuant to subsection 1, a body shop must***
42 ***include, if any, the rate of and circumstances under which the person requesting***
43 ***or authorizing the repair would incur a charge for storage that exceeds \$50.***

44 4. The provisions of this section do not require a body shop or garage
45 operator to reassemble a motor vehicle if the body shop or garage operator
46 determines that the reassembly of the motor vehicle would render the vehicle
47 unsafe to operate.

48 **Sec. 10.** NRS 487.6881 is hereby amended to read as follows:

49 487.6881 1. An owner and the insurer of a motor vehicle who have been
50 notified of additional charges pursuant to NRS 487.6877 shall:

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

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

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

3. If the 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 the election ~~the body shop or~~ :

(a) *The* garage operator may charge for storage of the *motor* vehicle.

(b) *The body shop may impose a reasonable charge for storage of the motor vehicle in accordance with the provisions of section 2 of this act.*

Sec. 11. NRS 487.6893 is hereby amended to read as follows:

487.6893 1. If charges are made for the repair of a motor vehicle, the garage operator or body shop making the charges shall present to the person authorizing repairs or the person entitled to possession of the motor vehicle a statement of the charges setting forth the following information:

(a) The name and signature of the person authorizing repairs;

(b) A statement of the total charges;

(c) An itemization and description of all parts used to repair the motor vehicle indicating the charges made for labor; ~~and~~

(d) ~~the~~ *In the case of a garage operator, a* description of all other charges ~~;~~ ;
and

(e) *In the case of a body shop, a description of all other charges, including, without limitation, charges, if any, for storage of the motor vehicle.*

2. Any person violating this section is guilty of a misdemeanor.

3. In the case of a motor vehicle registered in this State, no lien for labor or materials provided under NRS 108.265 to 108.367, inclusive, may be enforced by sale or otherwise unless a statement as described in subsection 1 has been given by delivery in person or by certified mail to the last known address of the registered owner and the legal owner of the motor vehicle. In all other cases, the notice must be made to the last known address of the registered owner and any other person known to have or to claim an interest in the motor vehicle.

Sec. 12. NRS 487.6895 is hereby amended to read as follows:

487.6895 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 Director, or of any person allegedly aggrieved by a violation of the provisions of NRS 487.6875 to 487.6893, inclusive, *and sections 2 and 3 of this act* to enjoin any violation of the provisions of NRS 487.6875 to 487.6893, inclusive ~~;~~ , *and sections 2 and 3 of this act.*

Sec. 13. NRS 487.6897 is hereby amended to read as follows:

487.6897 Any person who knowingly violates any provision of NRS 487.6873 to 487.6893, inclusive, *and sections 2 and 3 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 Director or the district attorney.

Sec. 14. NRS 487.690 is hereby amended to read as follows:

487.690 Any person who violates any of the provisions of NRS 487.530 to 487.690, inclusive, *and sections 2 and 3 of this act* is guilty of a misdemeanor.

Sec. 15. This act becomes effective on July 1, 2013.