

SENATE BILL NO. 428—COMMITTEE ON TRANSPORTATION

MARCH 25, 2013

Referred to Committee on Transportation

SUMMARY—Revises provisions relating to tow cars.
(BDR 58-1074)

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; requiring operators of tow cars to accept certain forms of payment; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law governs the authority of the Nevada Transportation Authority to set the rate for services provided by operators of tow cars. (NRS 706.445-706.451) **Section 2** of this bill provides that operators of tow cars are required to accept cash, money order, credit card or debit card or any other electronic transfer of money as payment for towing services. **Section 3** of this bill authorizes an operator of a tow car to enter into a contract with an issuer of credit cards or debit cards to provide for the acceptance of such cards by the operator of a tow car for the payment of rates, taxes and charges. **Section 3** also authorizes the Authority to prescribe by regulation or order the maximum fee that an operator of a tow car may charge a customer for using a credit card or debit card to make payment.

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

Section 1. Chapter 706 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. *An operator of a tow car shall accept cash, money order, credit card or debit card or any other electronic transfer of money as payment for towing services. As used in this section "electronic transfer of money" has the meaning ascribed to it in NRS 463.01473.*



1 **Sec. 3. 1. An operator of a tow car may enter into a**
2 **contract with an issuer of credit cards or debit cards to provide for**
3 **the acceptance of credit cards or debit cards by the operator of a**
4 **tow car for the payment of rates, fares and charges owed to the**
5 **operator of a tow car.**

6 **2. The Authority may prescribe by regulation or order the**
7 **maximum fee that an operator of a tow car may charge a customer**
8 **for the convenience of using a credit card or debit card to make**
9 **payment to the operator of a tow car. In prescribing such fees, the**
10 **Authority may consider the expenses incurred by the operator of a**
11 **tow car in accepting payment by a credit card or debit card,**
12 **including, without limitation:**

13 **(a) Costs of required equipment and its installation;**

14 **(b) Administrative costs of processing credit card or debit card**
15 **transactions; and**

16 **(c) Fees paid to issuers of credit cards or debit cards.**

17 **3. An issuer shall not, by contract or otherwise:**

18 **(a) Prohibit an operator of a tow car from charging and**
19 **collecting a fee authorized pursuant to subsection 2; or**

20 **(b) Require an operator of a tow car to waive the right to**
21 **charge and collect a fee authorized pursuant to subsection 2.**

22 **4. As used in this section, "issuer" means a business**
23 **organization, financial institution or a duly authorized agency of a**
24 **business organization or financial institution which:**

25 **(a) Issues a credit card or debit card; or**

26 **(b) Enters into a contract with an operator of a tow car or**
27 **other person to enable or facilitate the acceptance of a credit card**
28 **or debit card.**

29 **Sec. 4. NRS 706.011 is hereby amended to read as follows:**

30 706.011 As used in NRS 706.011 to 706.791, inclusive, **and**
31 **sections 2 and 3 of this act**, unless the context otherwise requires,
32 the words and terms defined in NRS 706.013 to 706.146, inclusive,
33 have the meanings ascribed to them in those sections.

34 **Sec. 5. NRS 706.286 is hereby amended to read as follows:**

35 706.286 1. When a complaint is made against any fully
36 regulated carrier or operator of a tow car by any person, that:

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

43 (b) Any of the provisions of NRS 706.445 to 706.453, inclusive,
44 **and sections 2 and 3 of this act** have been violated;



* S B 4 2 8 R 1 *

(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.

Sec. 6. (Deleted by amendment.)

Sec. 7. NRS 706.4463 is hereby amended to read as follows:

706.4463 1. In addition to the other requirements of this chapter, each operator of a tow car shall, to protect the health, safety and welfare of the public:

(a) Obtain a certificate of public convenience and necessity from the Authority before the operator provides any services other than those services which the operator provides as a private motor carrier of property pursuant to the provisions of this chapter;

(b) Use a tow car of sufficient size and weight which is appropriately equipped to transport safely the vehicle which is being towed; and

(c) Comply with the provisions of NRS 706.011 to 706.791, inclusive **H**, and *sections 2 and 3 of this act*.

2. A person who wishes to obtain a certificate of public convenience and necessity to operate a tow car must file an application with the Authority.

3. The Authority shall issue a certificate of public convenience and necessity to an operator of a tow car if it determines that the applicant:

(a) Complies with the requirements of paragraphs (b) and (c) of subsection 1;

(b) Complies with the requirements of the regulations adopted by the Authority pursuant to the provisions of this chapter;

(c) Has provided evidence that the applicant has filed with the Authority a liability insurance policy, a certificate of insurance or a bond of a surety and bonding company or other surety required for



1 every operator of a tow car pursuant to the provisions of NRS
2 706.291; and

3 (d) Has provided evidence that the applicant has filed with the
4 Authority schedules and tariffs pursuant to subsection 2 of
5 NRS 706.321.

6 4. An applicant for a certificate has the burden of proving to
7 the Authority that the proposed operation will meet the requirements
8 of subsection 3.

9 5. The Authority may hold a hearing to determine whether an
10 applicant is entitled to a certificate only if:

11 (a) Upon the expiration of the time fixed in the notice that an
12 application for a certificate of public convenience and necessity is
13 pending, a petition to intervene has been granted by the Authority;
14 or

15 (b) The Authority finds that after reviewing the information
16 provided by the applicant and inspecting the operations of the
17 applicant, it cannot make a determination as to whether the applicant
18 has complied with the requirements of subsection 3.

19 **Sec. 7.5.** NRS 706.4479 is hereby amended to read as follows:

20 706.4479 1. If a motor vehicle is towed at the request of
21 someone other than the owner, or authorized agent of the owner, of
22 the motor vehicle, the operator of the tow car shall, in addition to the
23 requirements set forth in the provisions of chapter 108 of NRS:

24 (a) Notify the registered and legal owner of the motor vehicle by
25 certified mail not later than 21 days after placing the motor vehicle
26 in storage if the motor vehicle was towed at the request of a law
27 enforcement officer following an accident involving the motor
28 vehicle or not later than 15 days after placing any other vehicle in
29 storage:

30 (1) Of the location where the motor vehicle is being stored;

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

33 (3) Of the charge for towing and storage;

34 (4) Of the date and time the vehicle was placed in storage;

35 (5) Of the actions that the registered and legal owner of the
36 vehicle may take to recover the vehicle while incurring the lowest
37 possible liability in accrued assessments, fees, penalties or other
38 charges; and

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

41 (b) If the identity of the registered and legal owner is not known
42 or readily available, make every reasonable attempt and use all
43 resources reasonably necessary, as evidenced by written
44 documentation, to obtain the identity of the owner and any other



* S B 4 2 8 R 1 *

1 necessary information from the agency charged with the registration
2 of the motor vehicle in this State or any other state within:

3 (1) Twenty-one days after placing the motor vehicle in
4 storage if the motor vehicle was towed at the request of a law
5 enforcement officer following an accident involving the motor
6 vehicle; or

7 (2) Fifteen days after placing any other motor vehicle in
8 storage.

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

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

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

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

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

23 3. If a motor vehicle that is placed in storage was towed at the
24 request of a law enforcement officer following an accident involving
25 the motor vehicle **H or after having been stolen and subsequently**
26 **recovered**, the operator shall not:

27 (a) Satisfy any lien or impose any administrative fee or
28 processing fee with respect to the motor vehicle for the period
29 ending 4 business days after the date on which the motor vehicle
30 was placed in storage; or

31 (b) Impose any fee relating to the auction of the motor vehicle
32 until after the operator complies with the notice requirements set
33 forth in NRS 108.265 to 108.367, inclusive.

34 **Sec. 8.** NRS 706.4483 is hereby amended to read as follows:

35 706.4483 1. The Authority shall act upon complaints
36 regarding the failure of an operator of a tow car to comply with the
37 provisions of NRS 706.011 to 706.791, inclusive **H, and sections 2**
38 **and 3 of this act.**

39 2. In addition to any other remedies that may be available to
40 the Authority to act upon complaints, the Authority may order the
41 release of towed motor vehicles, cargo or personal property upon
42 such terms and conditions as the Authority determines to be
43 appropriate.



* S B 4 2 8 R 1 *

Sec. 9. NRS 706.453 is hereby amended to read as follows:

706.453 The provisions of NRS 706.445 to 706.451, inclusive, *and sections 2 and 3 of this act* do not apply to automobile wreckers who are licensed pursuant to chapter 487 of NRS.

Sec. 10. NRS 706.736 is hereby amended to read as follows:

706.736 1. Except as otherwise provided in subsection 2, the provisions of NRS 706.011 to 706.791, inclusive, *and sections 2 and 3 of this act* do not apply to:

(a) The transportation by a contractor licensed by the State Contractors' Board of the contractor's own equipment in the contractor's own vehicles from job to job.

(b) Any person engaged in transporting the person's own personal effects in the person's own vehicle, but the provisions of this subsection do not apply to any person engaged in transportation by vehicle of property sold or to be sold, or used by the person in the furtherance of any commercial enterprise other than as provided in paragraph (d), or to the carriage of any property for compensation.

(c) Special mobile equipment.

(d) The vehicle of any person, when that vehicle is being used in the production of motion pictures, including films to be shown in theaters and on television, industrial training and educational films, commercials for television and video discs and tapes.

(e) A private motor carrier of property which is used for any convention, show, exhibition, sporting event, carnival, circus or organized recreational activity.

(f) A private motor carrier of property which is used to attend livestock shows and sales.

(g) The transportation by a private school of persons or property in connection with the operation of the school or related school activities, so long as the vehicle that is used to transport the persons or property does not have a gross vehicle weight rating of 26,001 pounds or more and is not registered pursuant to NRS 706.801 to 706.861, inclusive.

2. Unless exempted by a specific state statute or a specific federal statute, regulation or rule, any person referred to in subsection 1 is subject to:

(a) The provisions of paragraph (d) of subsection 1 of NRS 706.171 and NRS 706.235 to 706.256, inclusive, 706.281, 706.457 and 706.458.

(b) All rules and regulations adopted by reference pursuant to paragraph (b) of subsection 1 of NRS 706.171 concerning the safety of drivers and vehicles.

(c) All standards adopted by regulation pursuant to NRS 706.173.



* S B 4 2 8 R 1 *

3. The provisions of NRS 706.311 to 706.453, inclusive, 706.471, 706.473, 706.475 and 706.6411 which authorize the Authority to issue:

(a) Except as otherwise provided in paragraph (b), certificates of public convenience and necessity and contract carriers' permits and to regulate rates, routes and services apply only to fully regulated carriers.

(b) Certificates of public convenience and necessity to operators of tow cars and to regulate rates 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 apply to operators of tow cars.

4. Any person who operates pursuant to a claim of an exemption provided by this section but who is found to be operating in a manner not covered by any of those exemptions immediately becomes liable, in addition to any other penalties provided in this chapter, for the fee appropriate to the person's actual operation as prescribed in this chapter, computed from the date when that operation began.

5. As used in this section, "private school" means a nonprofit private elementary or secondary educational institution that is licensed in this State.

Sec. 11. NRS 706.756 is hereby amended to read as follows:

706.756 1. Except as otherwise provided in subsection 2, any person who:

(a) Operates a vehicle or causes it to be operated in any carriage to which the provisions of NRS 706.011 to 706.861, inclusive, *and sections 2 and 3 of this act* apply without first obtaining a certificate, permit or license, or in violation of the terms thereof;

(b) Fails to make any return or report required by the provisions of NRS 706.011 to 706.861, inclusive, *and sections 2 and 3 of this act* or by the Authority or the Department pursuant to the provisions of NRS 706.011 to 706.861, inclusive *§ , and sections 2 and 3 of this act;*

(c) Violates, or procures, aids or abets the violating of, any provision of NRS 706.011 to 706.861, inclusive *§ , and sections 2 and 3 of this act;*

(d) Fails to obey any order, decision or regulation of the Authority or the Department;

(e) Procures, aids or abets any person in the failure to obey such an order, decision or regulation of the Authority or the Department;

(f) Advertises, solicits, proffers bids or otherwise is held out to perform transportation as a common or contract carrier in violation of any of the provisions of NRS 706.011 to 706.861, inclusive *§ , and sections 2 and 3 of this act;*



(g) Advertises as providing:

(1) The services of a fully regulated carrier; or

(2) Towing services,

↳ without including the number of the person's certificate of public convenience and necessity or contract carrier's permit in each advertisement;

(h) Knowingly offers, gives, solicits or accepts any rebate, concession or discrimination in violation of the provisions of this chapter;

(i) Knowingly, willfully and fraudulently seeks to evade or defeat the purposes of this chapter;

(j) Operates or causes to be operated a vehicle which does not have the proper identifying device;

(k) Displays or causes or permits to be displayed a certificate, permit, license or identifying device, knowing it to be fictitious or to have been cancelled, revoked, suspended or altered;

(l) Lends or knowingly permits the use of by one not entitled thereto any certificate, permit, license or identifying device issued to the person so lending or permitting the use thereof; or

(m) Refuses or fails to surrender to the Authority or Department any certificate, permit, license or identifying device which has been suspended, cancelled or revoked pursuant to the provisions of this chapter,

↳ is guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than \$100 nor more than \$1,000, or by imprisonment in the county jail for not more than 6 months, or by both fine and imprisonment.

2. Any person who, in violation of the provisions of NRS 706.386, operates as a fully regulated common motor carrier without first obtaining a certificate of public convenience and necessity or any person who, in violation of the provisions of NRS 706.421, operates as a contract motor carrier without first obtaining a permit is guilty of a misdemeanor and shall be punished:

(a) For a first offense within a period of 12 consecutive months, by a fine of not less than \$500 nor more than \$1,000. In addition to the fine, the person may be punished by imprisonment in the county jail for not more than 6 months.

(b) For a second offense within a period of 12 consecutive months and for each subsequent offense that is committed within a period of 12 consecutive months of any prior offense under this subsection, by a fine of \$1,000. In addition to the fine, the person may be punished by imprisonment in the county jail for not more than 6 months.

3. Any person who, in violation of the provisions of NRS 706.386, operates or permits the operation of a vehicle in passenger



* S B 4 2 8 R 1 *

1 service without first obtaining a certificate of public convenience
2 and necessity is guilty of a gross misdemeanor.

3 4. If a law enforcement officer witnesses a violation of any
4 provision of subsection 2 or 3, the law enforcement officer may
5 cause the vehicle to be towed immediately from the scene and
6 impounded in accordance with NRS 706.476.

7 5. The fines provided in this section are mandatory and must
8 not be reduced under any circumstances by the court.

9 6. Any bail allowed must not be less than the appropriate fine
10 provided for by this section.

11 **Sec. 12.** NRS 706.781 is hereby amended to read as follows:

12 706.781 In addition to all the other remedies provided by
13 NRS 706.011 to 706.861, inclusive, *and sections 2 and 3 of this act*
14 for the prevention and punishment of any violation of the provisions
15 thereof and of all orders of the Authority or the Department, the
16 Authority or the Department may compel compliance with the
17 provisions of NRS 706.011 to 706.861, inclusive, *and sections 2*
18 *and 3 of this act* and with the orders of the Authority or the
19 Department by proceedings in mandamus, injunction or by other
20 civil remedies.

21 **Sec. 13.** NRS 706.791 is hereby amended to read as follows:

22 706.791 1. If the Department is not satisfied with the records
23 or statements of, or with the amount of fees paid by, any person
24 pursuant to the provisions of NRS 706.011 to 706.861, inclusive,
25 *and sections 2 and 3 of this act*, it may make an additional or
26 estimated assessment of fees due from that person based upon any
27 information available to it.

28 2. Every additional or estimated assessment bears interest at
29 the rate of 1 percent per month, or fraction thereof, from the date the
30 fees were due until they are paid.

31 3. If an assessment is imposed, a penalty of 10 percent of the
32 amount of the assessment must be added thereto. If any part of
33 the deficiency is found to be caused by fraud or an intent to evade
34 the provisions of this chapter or the regulations adopted pursuant to
35 this chapter, a penalty of 25 percent of the amount of the assessment
36 must be added thereto.

37 4. The Department shall give the person written notice of the
38 assessment. The notice may be served personally or by mail in the
39 manner prescribed by Rule 5 of the Nevada Rules of Civil
40 Procedure addressed to the person at the person's address as it
41 appears in the records of the Department. Every notice of
42 assessment must be served within 36 months after the end of the
43 registration year for which the additional assessment is imposed.

44 5. If any person refuses or fails to make available to the
45 Department, upon request, such records, reports or other information



* S B 4 2 8 R 1 *

1 as determined by the Department to be necessary to enable it to
2 determine that the amount of taxes and fees paid by that person is
3 correct, the assessment made pursuant to the provisions of this
4 section is presumed to be correct and the burden is upon the person
5 challenging the assessment to establish that it is erroneous.

6 6. Any person against whom an assessment has been made
7 pursuant to the provisions of this section may petition the
8 Department in writing for a redetermination within 30 days after
9 service of the notice. If a petition is not filed with the Department
10 within that period, the assessment becomes final.

11 7. If a petition for redetermination is filed within 30 days, the
12 Department shall reconsider the assessment and send the petitioner,
13 by certified mail, notice of its decision and the reasons therefor. A
14 petitioner aggrieved by the Department's decision may appeal the
15 decision by submitting a written request to the Department for a
16 hearing not later than 30 days after notice of the decision was
17 mailed by the Department. The Department shall schedule an
18 administrative hearing and provide the petitioner with 10 days'
19 notice of the time and place of the hearing. The Department may
20 continue the hearing as may be necessary.

21 8. The order of the Department upon a petition becomes final
22 30 days after service of notice thereof. If an assessment is not paid
23 on or before the date it becomes final, there must be added thereto in
24 addition to any other penalty provided for in this chapter a penalty
25 of 10 percent of the amount of the assessment.

26 9. Every remittance in payment of an assessment is payable to
27 the Department.

