

SENATE BILL NO. 456—COMMITTEE ON TRANSPORTATION

MARCH 25, 2013

Referred to Committee on Transportation

SUMMARY—Revises provisions relating to operators of tow cars.  
(BDR 58-1089)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

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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 certain insurance companies to designate vehicle storage lots; requiring operators of tow cars to tow certain vehicles to designated vehicle storage lots under certain circumstances; revising certain provisions relating to operators of tow cars; 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 insurance company  
3 must be towed under certain circumstances. **Section 1** requires a law enforcement  
4 officer to make a good faith effort to determine the identity of the insurance  
5 company that provides coverage for the owner of such a vehicle and to make a  
6 good faith effort to communicate that information to the operator of the tow car  
7 before the vehicle is towed. **Section 1** further provides that the amendatory  
8 provisions of this bill apply only to a county whose population is 700,000 or more  
9 (currently Clark County).

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 vehicles that are inoperable because of an accident or***  
5 ***which have been recovered after having been stolen and which are***  
6 ***insured by that insurance company must be towed pursuant to***  
7 ***subsection 2. The designation of a vehicle storage lot must be***



1 *provided in writing by the insurance company, its representative or*  
2 *the owner or operator of the vehicle storage lot to all providers of*  
3 *towing services that have obtained a certificate of public*  
4 *convenience and necessity and operate in the same geographical*  
5 *area in which the designated vehicle storage lot is situated.*

6 2. *If a law enforcement officer requests that an operator of a*  
7 *tow car tow a vehicle that is inoperable because of an accident or*  
8 *which was recovered after having been stolen and is not otherwise*  
9 *subject to impoundment, the law enforcement officer shall make a*  
10 *good faith effort to determine the identity of the insurance*  
11 *company that provides coverage for the owner of the vehicle. If the*  
12 *law enforcement officer determines the identity of the insurance*  
13 *company, he or she shall inform the operator of the tow car of the*  
14 *identity of the insurance company. If the operator of the tow car:*

15 (a) *Is informed by a law enforcement officer of the identity of*  
16 *the insurance company that provides coverage for the owner of the*  
17 *vehicle; or*

18 (b) *Otherwise determines the identity of the insurance*  
19 *company that provides coverage for the owner of the vehicle,*  
20 *and the insurance company has designated a vehicle storage lot*  
21 *pursuant to subsection 1, the operator of the tow car shall tow the*  
22 *vehicle to the designated vehicle storage lot unless the owner of*  
23 *the vehicle or a representative of the insurance company has*  
24 *directed otherwise.*

25 3. *If an operator of a tow car fails to tow a vehicle to the*  
26 *designated vehicle storage lot pursuant to subsection 2, the*  
27 *operator of the tow car shall:*

28 (a) *Forfeit the charge for towing and storage of the vehicle;*  
29 *and*

30 (b) *Tow the vehicle free of charge to the vehicle storage lot*  
31 *designated by the insurance company or its representative not*  
32 *later than 24 hours after receiving a demand, which must be made*  
33 *in writing or by electronic mail, from the insurance company or its*  
34 *representative.*

35 4. *The owners of a vehicle storage lot designated by an*  
36 *insurance company pursuant to subsection 1 shall agree in writing*  
37 *to indemnify the relevant law enforcement agencies and their*  
38 *officers, employees, agents and representatives from any liability*  
39 *relating to the towing of a vehicle insured by the designating*  
40 *insurance company and to the storing of the vehicle at the vehicle*  
41 *storage lot if the law enforcement officer who requested the towing*  
42 *of the vehicle made a good faith effort to comply with the*  
43 *provisions of subsection 2.*

44 5. *A vehicle storage lot must:*



1     (a) *Except as otherwise provided in subsection 6, comply with*  
2 *all applicable requirements imposed pursuant to NRS 706.4485 on*  
3 *an operator of a tow car;*

4     (b) *Comply with all applicable local laws and ordinances,*  
5 *including, without limitation, local laws and ordinances relating to*  
6 *business licenses, zoning, building and fire codes, parking, paving,*  
7 *lights and security; and*

8     (c) *If the vehicle storage lot is a salvage pool as that term is*  
9 *defined in NRS 487.400, comply with all applicable requirements*  
10 *imposed pursuant to NRS 487.400 to 487.510, inclusive.*

11     6. *A vehicle storage lot is not required to assess the rates and*  
12 *charges that have been approved by the Authority for the storage*  
13 *of a vehicle, but may not assess a rate or charge in excess of those*  
14 *approved rates and charges. An operator of a tow car who tows a*  
15 *vehicle to a vehicle storage lot pursuant to this section:*

16     (a) *Shall assess the rates and charges approved by the*  
17 *Authority for towing the vehicle.*

18     (b) *Is entitled to payment from the operator of the vehicle*  
19 *storage lot at the time the vehicle is towed to the vehicle storage*  
20 *lot.*

21     7. *Before designating a vehicle storage lot pursuant to*  
22 *subsection 1, an insurance company must obtain the approval of*  
23 *the Authority. The Authority shall approve the designation if the*  
24 *Authority determines that the vehicle storage lot has:*

25     (a) *Executed an indemnification agreement that meets the*  
26 *requirements of subsection 4;*

27     (b) *Satisfied the requirements of subsection 5; and*

28     (c) *Otherwise satisfied the requirements of this section.*

29     8. *The provisions of this section apply only to a county whose*  
30 *population is 700,000 or more.*

31     9. *As used in this section:*

32     (a) *“Boat” means any vessel or other watercraft, other than a*  
33 *seaplane, used or capable of being used as a means of*  
34 *transportation on the water.*

35     (b) *“Vehicle” has the meaning ascribed to it in NRS 706.146*  
36 *and includes all terrain vehicles and boats.*

37     (c) *“Vehicle storage lot” means a business which, for a fee,*  
38 *stores vehicles that are inoperable because of an accident and*  
39 *which have been recovered after having been stolen and includes,*  
40 *without limitation, a salvage pool as that term is defined in*  
41 *NRS 487.400.*

42     **Sec. 2.** NRS 706.011 is hereby amended to read as follows:

43     706.011 As used in NRS 706.011 to 706.791, inclusive, *and*  
44 *section 1 of this act*, unless the context otherwise requires, the



\* S B 4 5 6 R 1 \*

1 words and terms defined in NRS 706.013 to 706.146, inclusive,  
2 have the meanings ascribed to them in those sections.

3 **Sec. 3.** NRS 706.163 is hereby amended to read as follows:

4 706.163 The provisions of NRS 706.011 to 706.861, inclusive,  
5 *and section 1 of this act* do not apply to vehicles leased to or owned  
6 by:

7 1. The Federal Government or any instrumentality thereof.

8 2. Any state or a political subdivision thereof.

9 **Sec. 4.** NRS 706.166 is hereby amended to read as follows:

10 706.166 The Authority shall:

11 1. Subject to the limitation provided in NRS 706.168 and to the  
12 extent provided in this chapter, supervise and regulate:

13 (a) Every fully regulated carrier and broker of regulated services  
14 in this State in all matters directly related to those activities of the  
15 motor carrier and broker actually necessary for the transportation of  
16 persons or property, including the handling and storage of that  
17 property, over and along the highways.

18 (b) Every operator of a tow car concerning the rates and charges  
19 assessed for towing services performed without the prior consent of  
20 the operator of the vehicle or the person authorized by the owner to  
21 operate the vehicle and pursuant to the provisions of NRS 706.011  
22 to 706.791, inclusive *H*, *and section 1 of this act*.

23 2. Supervise and regulate the storage of household goods and  
24 effects in warehouses and the operation and maintenance of such  
25 warehouses in accordance with the provisions of this chapter and  
26 chapter 712 of NRS.

27 3. Enforce the standards of safety applicable to the employees,  
28 equipment, facilities and operations of those common and contract  
29 carriers subject to the Authority or the Department by:

30 (a) Providing training in safety;

31 (b) Reviewing and observing the programs or inspections of the  
32 carrier relating to safety; and

33 (c) Conducting inspections relating to safety at the operating  
34 terminals of the carrier.

35 4. To carry out the policies expressed in NRS 706.151, adopt  
36 regulations providing for agreements between two or more fully  
37 regulated carriers or two or more operators of tow cars relating to:

38 (a) Fares of fully regulated carriers;

39 (b) All rates of fully regulated carriers and rates of operators of  
40 tow cars for towing services performed without the prior consent of  
41 the owner of the vehicle or the person authorized by the owner to  
42 operate the vehicle;

43 (c) Classifications;

44 (d) Divisions;

45 (e) Allowances; and



(f) All charges of fully regulated carriers and charges of operators of tow cars 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, including charges between carriers and compensation paid or received for the use of facilities and equipment.

↳ These regulations may not provide for collective agreements which restrain any party from taking free and independent action.

5. Review decisions of the Taxicab Authority appealed to the Authority pursuant to NRS 706.8819.

**Sec. 5.** 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, *and 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.

**Sec. 6.** NRS 706.321 is hereby amended to read as follows:

706.321 1. Except as otherwise provided in subsection 2, every common or contract motor carrier shall file with the Authority:

(a) Within a time to be fixed by the Authority, schedules and tariffs that must:



1 (1) Be open to public inspection; and  
2 (2) Include all rates, fares and charges which the carrier has  
3 established and which are in force at the time of filing for any  
4 service performed in connection therewith by any carrier controlled  
5 and operated by it.

6 (b) As a part of that schedule, all regulations of the carrier that  
7 in any manner affect the rates or fares charged or to be charged for  
8 any service and all regulations of the carrier that the carrier has  
9 adopted to comply with the provisions of NRS 706.011 to 706.791,  
10 inclusive **H**, and *section 1 of this act*.

11 2. Every operator of a tow car shall file with the Authority:

12 (a) Within a time to be fixed by the Authority, schedules and  
13 tariffs that must:

14 (1) Be open to public inspection; and

15 (2) Include all rates and charges for towing services  
16 performed without the prior consent of the owner of the vehicle or  
17 the person authorized by the owner to operate the vehicle which the  
18 operator has established and which are in force at the time of filing.

19 (b) As a part of that schedule, all regulations of the operator of  
20 the tow car which in any manner affect the rates charged or to be  
21 charged for towing services performed without the prior consent of  
22 the owner of the vehicle or the person authorized by the owner to  
23 operate the vehicle and all regulations of the operator of the tow car  
24 that the operator has adopted to comply with the provisions of NRS  
25 706.011 to 706.791, inclusive **H**, and *section 1 of this act*.

26 3. No changes may be made in any schedule, including  
27 schedules of joint rates, or in the regulations affecting any rates or  
28 charges, except upon 30 days' notice to the Authority, and all those  
29 changes must be plainly indicated on any new schedules filed in lieu  
30 thereof 30 days before the time they are to take effect. The  
31 Authority, upon application of any carrier, may prescribe a shorter  
32 time within which changes may be made. The 30 days' notice is not  
33 applicable when the carrier gives written notice to the Authority 10  
34 days before the effective date of its participation in a tariff bureau's  
35 rates and tariffs, provided the rates and tariffs have been previously  
36 filed with and approved by the Authority.

37 4. The Authority may at any time, upon its own motion,  
38 investigate any of the rates, fares, charges, regulations, practices and  
39 services filed pursuant to this section and, after hearing, by order,  
40 make such changes as may be just and reasonable.

41 5. The Authority may dispense with the hearing on any change  
42 requested in rates, fares, charges, regulations, practices or service  
43 filed pursuant to this section.

44 6. All rates, fares, charges, classifications and joint rates,  
45 regulations, practices and services fixed by the Authority are in



1 force, and are prima facie lawful, from the date of the order until  
2 changed or modified by the Authority, or pursuant to  
3 NRS 706.2883.

4 7. All regulations, practices and service prescribed by the  
5 Authority must be enforced and are prima facie reasonable unless  
6 suspended or found otherwise in an action brought for the purpose,  
7 or until changed or modified by the Authority itself upon  
8 satisfactory showing made.

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

10 706.4463 1. In addition to the other requirements of this  
11 chapter, each operator of a tow car shall, to protect the health, safety  
12 and welfare of the public:

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

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

20 (c) Comply with the provisions of NRS 706.011 to 706.791,  
21 inclusive **H**, *and section 1 of this act.*

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

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

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

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

32 (c) Has provided evidence that the applicant has filed with the  
33 Authority a liability insurance policy, a certificate of insurance or a  
34 bond of a surety and bonding company or other surety required for  
35 every operator of a tow car pursuant to the provisions of NRS  
36 706.291; and

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

40 4. An applicant for a certificate has the burden of proving to  
41 the Authority that the proposed operation will meet the requirements  
42 of subsection 3.

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





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

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

**Sec. 8.** NRS 706.4464 is hereby amended to read as follows:

706.4464 1. An operator of a tow car who is issued a certificate of public convenience and necessity may transfer it to another operator of a tow car qualified pursuant to the provisions of NRS 706.011 to 706.791, inclusive, *and section 1 of this act*, but no such transfer is valid for any purpose until a joint application to make the transfer is made to the Authority by the transferor and the transferee, and the Authority has authorized the substitution of the transferee for the transferor. No transfer of stock of a corporate operator of a tow car subject to the jurisdiction of the Authority is valid without the prior approval of the Authority if the effect of the transfer would be to change the corporate control of the operator of a tow car or if a transfer of 15 percent or more of the common stock of the operator of a tow car is proposed.

2. The Authority shall approve an application filed with it pursuant to subsection 1 if it determines that the transferee:

(a) Complies with the provisions of NRS 706.011 to 706.791, inclusive, *and section 1 of this act* and the regulations adopted by the Authority pursuant to those provisions;

(b) Uses equipment that is in compliance with the regulations adopted by the Authority;

(c) Has provided evidence that the transferee 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 every operator of a tow car pursuant to the provisions of NRS 706.291; and

(d) Has provided evidence that the transferee has filed with the Authority schedules and tariffs pursuant to NRS 706.321 which contain rates and charges and the terms and conditions that the operator of the tow car requires to perform towing services without the prior consent of the owner of the vehicle or the person authorized by the owner to operate the vehicle which do not exceed the rates and charges that the transferor was authorized to assess for the same services.

3. The Authority may hold a hearing concerning an application submitted pursuant to this section only if:





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

(b) The Authority finds that after reviewing the information provided by the applicant and inspecting the operations of the applicant, it cannot make a determination as to whether the applicant has complied with the requirements of subsection 2.

4. The Authority shall not hold a hearing on an application submitted pursuant to this section if the application is made to transfer the certificate of public convenience and necessity from a natural person or partners to a corporation whose controlling stockholders will be substantially the same person or partners.

5. The approval by the Authority of an application for transfer of a certificate of public convenience and necessity of an operator of a tow car is not valid after the expiration of the term for the transferred certificate.

**Sec. 9.** NRS 706.4483 is hereby amended to read as follows:

706.4483 1. The Authority shall act upon complaints regarding the failure of an operator of a tow car to comply with the provisions of NRS 706.011 to 706.791, inclusive ~~†~~, and *section 1 of this act.*

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

**Sec. 10.** NRS 706.4485 is hereby amended to read as follows:

706.4485 1. A law enforcement agency that maintains and uses a list of operators of tow cars which are called by that agency to provide towing shall not include an operator of a tow car on the list unless the operator:

(a) Holds a certificate of public convenience and necessity issued by the Authority.

(b) Complies with all applicable provisions of this chapter and chapters 482 and 484A to 484E, inclusive, of NRS.

(c) Agrees to respond in a timely manner to requests for towing made by the agency.

(d) Maintains adequate, accessible and secure storage within the State of Nevada for any vehicle that is towed.

(e) Complies with all standards the law enforcement agency may adopt to protect the health, safety and welfare of the public.

(f) ~~†Assesses†~~ *Except as otherwise provided in section 1 of this act, assesses* only rates and charges that have been approved by the Authority for towing services performed without the prior consent



1 of the owner of the vehicle or the person authorized by the owner to  
2 operate the vehicle.

3 2. The Authority shall not require that an operator of a tow car  
4 charge the same rate to law enforcement agencies for towing  
5 services performed without the prior consent of the owner of the  
6 vehicle or the person authorized by the owner to operate the vehicle  
7 that the operator charges to other persons for such services.

8 3. Except as otherwise provided in this subsection, if an  
9 operator of a tow car is included on a list of operators of tow cars  
10 that is maintained and used by the Nevada Highway Patrol pursuant  
11 to this section, the Nevada Highway Patrol shall not remove the  
12 operator of the tow car from the list, or restrict the operator's use  
13 pursuant thereto, solely on the ground that the operator is insured  
14 under the same policy of insurance as one other operator of a tow  
15 car who is included on the list and operates in the same geographical  
16 area. An operator of a tow car is not eligible for inclusion on the list  
17 if the operator is insured under the same policy of insurance as two  
18 or more other operators of tow cars who are included on the list and  
19 operate in the same geographical area.

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

21 706.781 In addition to all the other remedies provided by NRS  
22 706.011 to 706.861, inclusive, *and section 1 of this act*, for the  
23 prevention and punishment of any violation of the provisions thereof  
24 and of all orders of the Authority or the Department, the Authority  
25 or the Department may compel compliance with the provisions of  
26 NRS 706.011 to 706.861, inclusive, *and section 1 of this act*, and  
27 with the orders of the Authority or the Department by proceedings  
28 in mandamus, injunction or by other civil remedies.

29 **Sec. 12.** This act becomes effective upon passage and  
30 approval.

