

Nevada Collision Industry Association  
Proposed Clarifying Amendment to Assembly Bill 368

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.

**Section 1.** NRS 487.790 is hereby amended to read as follows:

487.790 1. "Total loss vehicle" means a motor vehicle ~~[(a) Of]~~ of a type which is subject to registration [;] and

~~[(b)] :~~

(a) Which has been wrecked, destroyed, ~~submerged in water~~ or otherwise damaged to such an extent that the ~~total estimated or actual~~ cost of ~~[repair is 65]~~ *parts and labor required to repair, rebuild or reconstruct the vehicle to a condition that allows for safe and legal operation on the highways of this State and is equivalent to its condition immediately before it was wrecked, destroyed, submerged in water or otherwise damaged is 80* percent or more of the fair market retail value of the vehicle immediately before it was wrecked, destroyed, ~~submerged in water~~ or otherwise damaged, except that, for the purposes of this paragraph, the cost of repair does not include the cost of:

~~(1) Painting any portion of the vehicle;~~

~~(2) (1) Replacing electronic components in accordance with the specifications of the manufacturer;~~  
or

~~(3) (2) Towing the vehicle.];~~ or

*(b) Which is declared a total loss in accordance with the provisions of paragraph (a) of this subsection by an insurance company which obtained ownership of the vehicle pursuant to a damage settlement other than a damage settlement involving a vehicle which was stolen and recovered;* ~~or~~

~~(c) For which vehicle the owner has obtained a salvage title.~~

2. The term does not include:

(a) A nonrepairable vehicle;

(b) A motor vehicle which is 10 model years old or older and which, to restore the vehicle to its condition before it was wrecked, destroyed, ~~submerged in water~~ or otherwise damaged and regardless of cost, requires the replacement of only:

(1) The hood;

(2) The trunk lid;

(3) A fender;

(4) Two or fewer of the following parts or assemblies, which may be bolted or unbolted:

(I) Doors;

(II) A grill assembly;

(III) A bumper assembly;

(IV) A headlight assembly; or

(V) A taillight assembly; or

(5) Any combination of subparagraph (1), (2), (3) or (4);

(c) A motor vehicle ~~;~~ regardless of the age of the vehicle, for which the cost to repair the vehicle is less than 65 80 percent of the fair market value of the vehicle immediately before the vehicle was wrecked, destroyed or otherwise damaged, except that, for the purposes of this paragraph, the cost of repair does not include the cost of:

~~(1) Painting any portion of the vehicle;~~

~~(2) (1) Replacing electronic components in accordance with the specifications of the manufacturer;~~  
or

~~(3) (2) Towing the vehicle; or~~

- ~~(d) A motor vehicle~~ that was stolen and subsequently recovered, if the motor vehicle:
- ~~(1)~~ (3) Has no structural damage; and
  - ~~(2)~~ (4) Is missing only tires, wheels, audio or video equipment, or some combination thereof.

3. For the purposes of this section ~~[, the]~~ :

*(a) The cost of labor is calculated using:*

*(1) ~~The hourly rate which is commonly charged~~ prevailing labor rate as compiled and published by the Department pursuant to NRS 487.686; and shall be deemed reasonable if it does not exceed an amount equal to one and one-half times the prevailing labor rates for the specific geographic area in which the body shop is located.*

*(2) A body shop that wishes to impose a charge for cost of labor of a motor vehicle which exceeds the amount allowable pursuant to subsection 1 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, which, 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 cost of labor of a motor vehicle which exceeds the amount otherwise allowable pursuant to subsection 1. 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.*

*~~(2)~~ (3) The amount of time which is commonly allocated for the necessary repairs, rebuilding or reconstruction, as specified within the chosen repair facility's current edition of a VIN decodable nationally recognized guide, that has no ownership or influence by an insurer of motor vehicles, as used in this State for the estimation of such time allocations, in the ~~community~~ geographical area in which the repairs, rebuilding or reconstruction will be performed.*

*(b) The cost of parts is calculated based on the:*

~~*(1) Current published actual retail price of original manufacturer parts;*~~

~~*(2) Retail price of new alternative parts; or*~~

~~*(3) Actual cost of actual parts which would be used in the repair of the vehicle, if a decision to repair the vehicle were made.*~~

~~*(c) The retail value of a motor vehicle is calculated based on the value set forth in the current edition of any nationally recognized compilation of retail values, including, without limitation, an electronic database, which has been approved by the Department.*~~

*(d) The model year of manufacture is calculated based on a year beginning on January 1 of the calendar year in which the damage occurs.*