

**ADOPTED REGULATION OF THE DIRECTOR OF
THE DEPARTMENT OF MOTOR VEHICLES**

LCB File No. R146-04

Effective October 14, 2004

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§1-23, NRS 481.051; §24, NRS 487.990.

A REGULATION relating to motor vehicles; requiring a garageman to display a customer bill of rights for automotive repair in his place of business; requiring a garageman to provide to a person requesting the repair of a motor vehicle an estimate of costs indicating the total charge for the repair of a motor vehicle; requiring a garageman to provide notice of certain additional charges in excess of the charges indicated in the estimate of costs before undertaking any repair which would involve such additional charges; authorizing a person requesting the repair of a motor vehicle to waive the requirement for a garageman to provide an estimate of charges or notice of additional charges; requiring a garageman, at the request of a person requesting repair to a motor vehicle, to deliver any parts or accessories which were replaced as a result of the repairs; requiring a garageman to provide to a person authorizing the repair of a motor vehicle a statement of charges; authorizing the Department of Motor Vehicles to refuse to issue or suspend or revoke a registration to operate a garage under certain circumstances; requiring the Department to impose certain administrative fines for certain violations involving the victimization of a consumer of automotive repairs; and providing other matters properly relating thereto.

Section 1. Chapter 487 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 22, inclusive, of this regulation.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Department” means the Department of Motor Vehicles.*

Sec. 4. *“Director” means the Director of the Department.*

Sec. 5. As used in sections 5 to 22, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 6 to 9, inclusive, of this regulation have the meanings ascribed to them in those sections.

Sec. 6. "Garage" has the meaning ascribed to it in NRS 487.540.

Sec. 7. "Garageman" has the meaning ascribed to it in NRS 487.545.

Sec. 8. "Motor vehicle" has the meaning ascribed to it in NRS 487.550.

Sec. 9. "Person authorizing repairs" means a person who uses the services of a garage.

The term includes an insurance company, its agents or representatives, authorizing repairs to motor vehicles under a policy of insurance.

Sec. 10. 1. Each garageman shall display conspicuously in those areas of his 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 597.490)

YOU have the right to receive a WRITTEN ESTIMATE of charges for repairs made to your vehicle which exceed \$50. (NRS 597.510)

YOU have the right to read and understand all documents and warranties BEFORE YOU SIGN THEM. (NRS 597.490)

YOU have the right to INSPECT ALL REPLACED PARTS and accessories that are covered by a warranty and for which a charge is made. (NRS 597.550)

YOU have the right to request that all replaced parts and accessories that are not covered by a warranty BE RETURNED TO YOU AT THE TIME OF SERVICE. (NRS 597.550)

YOU have the right to require authorization BEFORE any additional repairs are made to your vehicle if the charges for those repairs exceed 20 percent of the original estimate or \$100, whichever is less. (NRS 597.520)

YOU have the right to receive a COMPLETED STATEMENT OF CHARGES for repairs made to your vehicle. (NRS 487.035)

YOU have the right to a FAIR RESOLUTION of any dispute that develops concerning the repair of your vehicle. (NRS 597.490)

FOR MORE INFORMATION PLEASE CONTACT:

THE DEPARTMENT OF BUSINESS AND INDUSTRY

CONSUMER AFFAIRS DIVISION

IN CLARK COUNTY: (702) 486-7355

ALL OTHER AREAS TOLL-FREE: 1-800-326-5202

2. The sign required pursuant to the provisions of subsection 1 must include a replica of the Great Seal of the State of Nevada. The Seal must be 2 inches in diameter and be centered on the face of the sign directly above the words "STATE OF NEVADA."

3. Any person who violates the provisions of this section is subject to prosecution for a misdemeanor in accordance with NRS 597.490.

Sec. 11. Whenever any garageman accepts or assumes control of a motor vehicle for the purpose of making or completing any repair, he shall comply with the provisions of sections 12 to 19, inclusive, of this regulation.

Sec. 12. 1. Except as otherwise provided in section 14 of this regulation, a person requesting or authorizing the repair of a motor vehicle that is more than \$50 must be

furnished a written estimate or statement signed by the person making the estimate or statement on behalf of the garageman, indicating the total charge for the performance of the work necessary to accomplish the repair, including the charge for labor and all parts and accessories necessary to perform the work.

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

(a) Diagnosis and disassembly; and

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

3. The provisions of this section do not require a garageman to reassemble a motor vehicle if he determines that the reassembly of the motor vehicle would render the vehicle unsafe to operate.

Sec. 13. Except as otherwise provided in section 14 of this regulation, if it is determined that additional charges are required to perform the repair of a motor vehicle which is authorized, and those additional charges exceed, by 20 percent or \$100, whichever is less, the amount set forth in the estimate or statement required to be furnished pursuant to the provisions of section 12 of this regulation, the garageman shall notify in writing the person authorizing repairs of the amount of those additional charges before the garageman may undertake any repair which would involve such additional charges.

Sec. 14. 1. The person requesting or authorizing repairs may waive the estimate or statement required pursuant to the provisions of section 12 of this regulation or the notification required pursuant to the provisions of section 13 of this regulation by executing a written waiver of the estimate, statement or notification. The waiver must be executed by the

person requesting or authorizing the repairs at the time he requests or authorizes those repairs.

2. A written waiver of the estimate or statement required pursuant to the provisions of section 12 of this regulation must be:

(a) On a form other than the statement of charges presented pursuant to the provisions of section 18 of this regulation to the person requesting or authorizing the repairs; and

(b) Printed in at least 10-point font.

3. A written waiver of the notification required pursuant to the provisions of section 13 of this regulation:

(a) May be on the original estimate or statement required to be furnished pursuant to the provisions of section 12 of this regulation; and

(b) Must be:

(1) On a form other than the statement of charges presented pursuant to the provisions of section 18 of this regulation to the person requesting or authorizing the repairs;

(2) Printed in at least 10-point font; and

(3) Received by the garageman before the garageman undertakes any repair which would involve additional charges to perform the repair described in the estimate or statement required to be furnished pursuant to the provisions of section 12 of this regulation.

Sec. 15. *1. A person authorizing repairs who has been notified of additional charges pursuant to the provisions of section 13 of this regulation shall:*

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

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

2. *Until the election provided for in subsection 1 has been made, the garageman shall not undertake any repair which would involve such additional charges.*

3. *If the person elects to take possession of the motor vehicle but fails to take possession within a 24-hour period after such election, the garageman may charge for storage of the vehicle.*

Sec. 16. 1. *Whenever the repair work performed on a motor vehicle requires the replacement of any parts or accessories, the garageman shall, at the request of the person authorizing the repairs or any person entitled to possession of the motor vehicle, deliver to such person all parts and accessories replaced as a result of the work done.*

2. *The provisions of subsection 1 do not apply to parts or accessories which must be returned to a manufacturer or distributor under a warranty arrangement or which are subject to exchange, but the customer on request is entitled to be shown such warranty parts for which a charge is made.*

Sec. 17. 1. *Each garageman shall keep his books and records for all locations at which he does business within a county at his principal place of business in that county for at least 1 year after the completion of any work to which the books and records relate.*

2. *Each garageman shall permit any authorized agent of the Director or the State of Nevada to inspect and copy his books and records during usual business hours.*

3. *Each garageman shall, not later than 3 business days after receiving a request from any authorized agent of the Director or the State of Nevada to produce books, records or any other information, provide the requested books, records or information to the person at the location specified in the request.*

4. Each garageman shall retain his books and records for not less than 1 year after he ceases to be registered to operate a garage.

5. As used in this section, "books and records" means any documentation related to the repair of a motor vehicle which is used in the normal course of business of a garageman, including, without limitation:

(a) A work order;

(b) An estimate or statement of charges required pursuant to the provisions of section 12 of this regulation;

(c) A written notification required pursuant to the provisions of section 13 of this regulation;

(d) A waiver authorized and executed pursuant to the provisions of section 14 of this regulation;

(e) A receipt;

(f) A statement of charges presented pursuant to the provisions of section 18 of this regulation to a person requesting or authorizing repairs; and

(g) An invoice.

Sec. 18. 1. In accordance with the provisions set forth in NRS 487.035:

(a) If a garageman makes charges for the repair of a motor vehicle, the garageman shall present to the person requesting the repairs or to the person entitled to possession of the motor vehicle a statement of the charges containing the following information:

(1) The name and signature of the person authorizing or requesting the repairs;

(2) A statement of the total charges;

(3) An itemization and description of all parts used to repair the motor vehicle indicating the charges made for each part;

(4) A statement of the charges made for labor; and

(5) A description of all other charges.

(b) A garageman who violates the provisions of this section is subject to prosecution for a misdemeanor.

(c) In the case of a motor vehicle registered in the State of Nevada, no lien for labor or materials provided under NRS 108.265 to 108.360, 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 and the legal owner of the motor vehicle. In all other cases, such 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.

2. A garageman may not undertake the repair of the motor vehicle without the signature of the person authorizing or requesting the repairs on the statement of charges.

3. As used in this section, "statement of charges" includes, without limitation:

(a) A work order;

(b) An invoice; and

(c) Any other form or documentation which is used in the normal course of business of a garageman and contains the information required pursuant to paragraph (a) of subsection 1.

Sec. 19. *In every instance where charges are made for the repair of a motor vehicle, the garageman making the repairs shall comply with the provisions of sections 12 to 16, inclusive, and 18 of this regulation. He is not entitled to detain a motor vehicle by virtue of any common*

law or statutory lien, or otherwise enforce such lien, nor shall he have the right to sue on any contract for repairs made by him, unless he has complied with the requirements of sections 12 to 16, inclusive, and 18 of this regulation.

Sec. 20. *The Attorney General or any district attorney is authorized to bring an action in any court of competent jurisdiction in the name of the State of Nevada on the complaint of the Commissioner of Consumer Affairs or of any person allegedly aggrieved by such violation to enjoin any violation of the provisions of sections 12 to 19, inclusive, of this regulation in accordance with NRS 597.580.*

Sec. 21. *Any person who knowingly violates any provision of sections 12 to 19, inclusive, of this regulation, is subject to liability, in addition to any other penalty or remedy which may be provided by law, for a civil penalty of not more than \$500 for each offense, which may be recovered by civil action on complaint of the Commissioner of Consumer Affairs, the or the district attorney in accordance with NRS 597.590.*

Sec. 22. 1. *The Department may refuse to issue a registration or, after notice and hearing, may suspend, revoke or refuse to renew a registration to operate a garage upon any of the following grounds:*

- (a) Failure of the applicant to have an established place of business in this State.*
- (b) Any material misstatement in the application for the certificate of registration.*
- (c) Conviction of the applicant or registrant or an employee of the applicant or registrant of a felony, or of a misdemeanor or gross misdemeanor for a violation of a provision of this chapter or chapter 487 of NRS.*

(d) Willful failure of the applicant or registrant to comply with a provision of the motor vehicle laws of this State, including, without limitation, NRS 487.035, 487.530 to 487.570, inclusive, or 597.480 to 597.590, inclusive.

(e) Willful failure of the applicant or registrant to comply with a directive of the Director. For the purpose of this paragraph, failure to comply with a directive of the Director advising the registrant of his noncompliance with a provision of the motor vehicle laws of this State or a regulation of the Department, within 10 days after the receipt of the directive, is prima facie evidence of willful failure to comply with the directive.

(f) Failure on the part of the registrant to maintain a fixed place of business in this State.

(g) Failure or refusal by the registrant to pay or otherwise discharge any final judgment against the registrant rendered and entered against him, arising out of the repair of a motor vehicle or the operation of a garage.

(h) Failure of the registrant to maintain any other license, registration or bond required by a political subdivision of this State.

(i) An improper, careless or negligent inspection of a salvage vehicle pursuant to NRS 487.800 by the applicant or registrant or an employee of the applicant or registrant.

(j) A false statement of material fact in a certification of a salvage vehicle pursuant to NRS 487.800 or a record regarding a salvage vehicle by the applicant or registrant or an employee of the applicant or registrant.

(k) After the Department has determined that a registrant has failed to comply with a requirement of sections 12 to 16, inclusive, or 18 of this regulation and the Department has notified the registrant in writing of such noncompliance, failure or refusal by the registrant to

release or return a motor vehicle held by the registrant for payment of repairs to the person requesting or authorizing such repairs if the cost of the repairs are in dispute.

2. The Director may deny the issuance of a registration to an applicant or may revoke a registration already issued if the Department is satisfied that the applicant or registrant is not entitled thereto.

3. As used in this section, “salvage vehicle” has the meaning ascribed to it in NRS 487.770.

Sec. 23. NAC 487.010 is hereby amended to read as follows:

487.010 As used in NAC 487.010 to 487.030, inclusive, unless the context otherwise requires:

1. “Automobile wrecker” means any person licensed by the Department who dismantles, scraps, processes or wrecks vehicles subject to the registration laws of Nevada.

2. ~~“Department” means the Department of Motor Vehicles.~~

~~3.~~ “Manufactured Housing Division” means the Manufactured Housing Division of the Department of Business and Industry.

~~4.~~ 3. “Salvage title” means a title of ownership issued by the Department to an automobile wrecker authorizing the disposal of the vehicle identified on the salvage title.

Sec. 24. NAC 487.200 is hereby amended to read as follows:

487.200 1. Except as otherwise provided in subsection 2 ~~1.~~ *or 3*, if the Department ~~of Motor Vehicles~~ imposes administrative fines pursuant to the provisions of NRS ~~[487.700.]~~ *487.990*, it will impose such fines for violations occurring within the 3-year period immediately preceding the most recent offense according to the following schedule:

(a) For a first offense, a fine of not less than \$100 nor more than \$500.

(b) For a second offense, a fine of not less than \$500 nor more than \$1,000.

(c) For a third offense, a fine of not less than \$1,000 nor more than \$1,500.

(d) For a fourth or subsequent offense, a fine of not less than \$1,500 nor more than \$2,500.

↪ For the purposes of paragraphs (b), (c) and (d), a cease and desist order issued by the Department shall be deemed to be a first offense.

2. *The Department will impose an administrative fine pursuant to the provisions of NRS 487.990 of not less than \$100 nor more than \$500 for a first offense involving a violation of NRS 487.035 or 487.530 to 487.570, inclusive, which results in substantial harm to a consumer.*

3. The Department may impose ~~[a]~~ *an administrative* fine *pursuant to the provisions of NRS 487.990* of not less than \$1,500 nor more than \$2,500 for any violation of NRS 487.050, 487.410, *487.560* or 487.610.

~~[3.]~~ 4. Any person who has been fined pursuant to the provisions of NRS ~~[487.700]~~ *487.990* shall make payment to the Department not later than the date specified in the notice of the violation, unless he has requested a hearing pursuant to subsection 1 of that section.

~~[4.]~~ 5. Upon the failure of a person to pay a fine imposed pursuant to the provisions of this section when it becomes due, the Director may suspend, revoke or refuse to issue any license *or registration* obtained pursuant to the provisions of this chapter.

**NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R146-04**

The Department of Motor Vehicles adopted regulations assigned LCB File No. R146-04 which pertain to chapter 487 of the Nevada Administrative Code on September 9, 2004

Notice date: 7/7/2004

Date of adoption by agency: 9/9/2004

Hearing date: 8/16/2004 (CC); 8/18/2004 (LV)

Filing date: 10/14/2004

INFORMATIONAL STATEMENT

The Department of Motor Vehicles noticed and held public workshops in Carson City on July 19, 2004 and in Las Vegas on July 22, 2004. Public Hearings were held in Carson City on August 16, 2004 and August 18, 2004 in Las Vegas. The purpose of the workshops and hearings were to solicit comments and opinion on proposed regulation changes relating to motor vehicles; requiring a garageman to display a customer bill of rights for automotive repair in his place of business; requiring a garageman to provide to a person requesting the repair of a motor vehicle an estimate of costs indicating the total charge for the repair of a motor vehicle; requiring a garageman to provide notice of certain additional charges in excess of the charges indicated in the estimate of costs before undertaking any repair which would involve such additional charges; authorizing a person requesting the repair of a motor vehicle to waive the requirement requiring a garageman, at the request of a person requesting repair to a motor vehicle a statement of charges; and providing other matters properly relating thereto.

The notice of public workshops and hearings and complete copies of the proposed regulations were posted on July 7, 2004, at the Nevada State Library and Archives and each office of the Department of Motor Vehicles. In counties where the Department does not maintain an office, the notice was posted at the main office of the public library.

No one was present at the public workshops or hearings in Carson City and Las Vegas to present testimony.

The Department recommends adopting the regulation with changes as indicated on the accompanying document.

There are no adverse economic effects of this regulation to the Department, local authorities or the public.

There are no other state or government regulations that the proposed regulations duplicate.