

ASSEMBLY BILL NO. 368—ASSEMBLYMAN PAUL ANDERSON

MARCH 20, 2017

Referred to Committee on Transportation

SUMMARY—Revises provisions governing total loss vehicles.
(BDR 43-314)

FISCAL NOTE: Effect on Local Government: No.
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 motor vehicles; revising the circumstances under which a damaged motor vehicle is considered a total loss vehicle; revising provisions governing the calculations of certain costs in considering whether a damaged motor vehicle is a total loss vehicle; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, a motor vehicle which has been wrecked, destroyed or
2 otherwise damaged is considered a “total loss vehicle” if the cost of repair is 65
3 percent or more of the fair market value of the vehicle immediately before it was
4 wrecked, destroyed or otherwise damaged. Existing law sets forth exceptions to the
5 definition of “total loss vehicle” for: (1) a nonrepairable vehicle; (2) a motor
6 vehicle which is 10 model years or older and which, to restore the vehicle, requires
7 the replacement of only certain parts, regardless of cost; and (3) a motor vehicle
8 that was stolen and recovered, if the motor vehicle has no structural damage and is
9 missing only tires, wheels, audio or video equipment or some combination thereof.
10 (NRS 487.790)

11 This bill revises the formula by which a motor vehicle is considered a total loss
12 vehicle by: (1) changing the threshold for the cost of repair to 80 percent; (2)
13 specifying that the percentage is of the “retail value” of the motor vehicle; and (3)
14 providing requirements for how “retail value” and the costs of parts and labor are
15 calculated for the purposes of applying the formula. This bill further provides that a
16 motor vehicle obtained by an insurance company in a damage settlement may be
17 declared a total loss vehicle by the insurance company, unless the damage
18 settlement resulted from the vehicle being stolen and recovered. This bill also
19 provides that a motor vehicle is a total loss vehicle if as a result of the damage to
20 the vehicle the owner of the vehicle obtains a salvage title for the vehicle. The
21 exceptions to the definition of a total loss vehicle remain.



* A B 3 6 8 *

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

1 **Section 1.** NRS 487.790 is hereby amended to read as follows:
2 487.790 1. “Total loss vehicle” means a motor vehicle ~~f~~

3 ~~(a) Of~~ of a type which is subject to registration ~~f~~ and

4 ~~f(b)~~ :

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

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

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

19 ~~— (3) Towing the vehicle.;~~

20 (b) *Which is declared a total loss by an insurance company*
21 *which obtained ownership of the vehicle pursuant to a damage*
22 *settlement other than a damage settlement involving a vehicle*
23 *which was stolen and recovered; or*

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

25 2. The term does not include:

26 (a) A nonrepairable vehicle;

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

31 (1) The hood;

32 (2) The trunk lid;

33 (3) A fender;

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

36 (I) Doors;

37 (II) A grill assembly;

38 (III) A bumper assembly;

39 (IV) A headlight assembly; or

40 (V) A taillight assembly; or

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



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

- 7 ~~— (1) Painting any portion of the vehicle;~~
8 ~~— (2) Replacing electronic components in accordance with the~~
9 ~~specifications of the manufacturer; or~~

10 ~~— (3) Towing the vehicle; or~~
11 ~~— (d) A motor vehicle~~ that was stolen and subsequently
12 recovered, if the motor vehicle:

- 13 (1) Has no structural damage; and
14 (2) Is missing only tires, wheels, audio or video equipment,
15 or some combination thereof.

16 3. For the purposes of this section ~~is, the~~ :

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

- 18 (1) *The hourly rate which is commonly charged; and*
19 (2) *The amount of time which is commonly allocated for*
20 *the necessary repairs, rebuilding or reconstruction,*
21 *↪ in the community in which the repairs, rebuilding or*
22 *reconstruction will be performed.*

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

- 24 (1) *Current published actual retail price of original*
25 *manufacturer parts;*
26 (2) *Retail price of new alternative parts; or*
27 (3) *Actual cost of parts used in the repair.*

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

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

