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AB 325

TESTIMONY OF ASSEMBLYWOMAN BUCKLEY

Imagine buying a car only to find that it veers to one side. You take it to a mechanic and are told that it was previously in a serious wreck and is not safe to drive. The title is "clean"; it was never marked "salvage" indicating it was totaled. How can this happen?

Nevada's laws on when a title should be "branded" (or when a consumer should be told about very serious damage) are full of holes. If an insurance company totals a car and the car is seriously damaged, it requests a "branded" title – a title marked "salvage." If the car ultimately is repaired, the title of the car is marked "rebuilt" so a consumer knows about the history of the car. However, if a towing company, rental car company or even government has possession of a totaled car, they can sell with a "clean" title due to our inadequate laws. I passed out some photographs (describe where). These are cars that are resold with clean titles, and the consumer never knows what happened to the car. This status quo needs to be changed.

Assembly Bill 325 is an important public safety, law enforcement, and consumer protection measure for the citizens of Nevada. After last session, I worked with a number of representatives from the insurance industry, the salvage auto industry, the Department of Motor Vehicles, and law enforcement. I toured a salvage facility, researched other state's laws, and negotiated a bill which I believe has universal support. The bill will finally provide a mechanism to get dangerous vehicles off the road and ensure that consumers receive accurate information about serious damage involving a car they may purchase.

First, it establishes a classification for a nonrepairable vehicle. These vehicles are so damaged that they are not even a legitimate source of parts, and in the past have been acquired by criminal elements who take the vehicle identification number (VIN) for use on stolen vehicles. Under this bill, such cars will never be driven, registered, or titled again and their VIN will be killed.

Second, the bill establishes a classification for a salvage vehicle, which generally means a vehicle damaged to the extent the cost of repair (excluding paint) is more than its fair market value, and also includes certain flood-damaged vehicles. We have an amendment to present to change this percentage to 65%. An exception is made for older vehicles that, for example, might have been rear ended and need a bumper and a quarter panel replaced. Salvage vehicles will be required to have a title branded as salvage before they can be transferred again. This is important to any subsequent purchaser of the vehicle. Most importantly to public safety, these vehicles, after being rebuilt and before being registered for use again on our streets and highways, must be certified by a garage man or body shop as to mechanical fitness and safety and further that safety equipment, including air bags and seat belts, are present and operate according to the standards of the manufacturer. Surprisingly, neither state nor federal laws currently require this.

**To put some teeth into these requirements, consumers are provided a remedy if they are not told a vehicle is a salvage vehicle before they buy it. Also, if a garage man or body shop makes a false statement of a material fact in certifying the fitness and safety of a rebuilt salvage vehicle, they can lose their registration or license, respectively.**

**Finally, any car that has been in a wreck resulting in air bag deployment and/or damage to the seat belts need not, under current law, be repaired. As a result, the American Occupant Restraints Council and law enforcement in other states have found cars rebuilt and sold with trash stuffed in the air bag compartment. (Can show video). This bill will change that. It requires air bags and seat belts to be repaired and repaired to federal standards for original equipment.**

**As testimony from supporters will show, this bill is sorely needed.**