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Motor Vechicles; No-Fault Insurance Repealed

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same result.

20. Id. at 3, 586 P.2d at 315, where the court explains that the insured is entitled to benefits to the extent of the premiums he paid.

SEE GENERALLY:

- 1) Beasley, In the Wake of Lopez-Like "Other Insurance" Provisions, 43 INTER ALIA (No. 1) 18 (April 1978).

MOTOR VEHICLES; NO-FAULT INSURANCE REPEALED

Adds sections to NRS Chapter 690B

Amends NRS 482.215, 482.280, 484.263, 485.200, 485.308, 485.3091, 485.380, 690B.020

Repeals NRS 686B.055, 698.010 to 698.510, inclusive

SB 313 (Committee on Commerce and Labor); STATS 1979, Ch 660

AB 108 (Sena); STATS 1979, Ch 684

(Effective January 1, 1980)

Chapter 660 repeals "no-fault" automobile insurance¹ while Chapter 684 mandates liability insurance. Both acts become effective on January 1, 1980,² which allows insurance companies to rewrite policies.

The discarded plan mandated no-fault coverage on every motor vehicle.³ This coverage provided \$10,000 in first party benefits for injuries arising out of automobile accidents, regardless of fault.⁴ Tort liability was abolished, except as to property damage (which was not covered by no-fault) or other economic loss beyond the limits of no-fault coverage.⁵ Tort actions were permitted for noneconomic damages only if the accident resulted in \$750 of medical expenses or a lengthy or substantial injury.⁶

Chapter 660 reinstates the tort system of automobile insurance and liability. The limitations imposed by the no-fault system no longer limit tort liability.⁷ First party insurance is still available, but it is no longer mandated.⁸ A new section stipulates that claimants are not bound by arbitration provisions in motor vehicle insurance policies.⁹ This section mirrors a section which was repealed when no-fault was enacted.¹⁰ Chapter 660 also deletes references to mandated no-fault coverage

from NRS. As a result, one may now drive without no-fault coverage¹¹ and insurance policies may be issued without no-fault coverage.¹² No-fault insurance will not be required for registration,¹³ renewal of registration,¹⁴ or proof of security¹⁵ or financial responsibility.¹⁶

Although no-fault insurance is no longer required, motorists must carry liability insurance.¹⁷ Chapter 684 requires every owner of a motor vehicle to provide security for payment of tort liability arising from the maintenance or use of the vehicle.¹⁸ The required security may be provided by a contract of insurance or by qualifying as a self insurer.¹⁹ An applicant for registration or renewal of registration must sign a declaration that he has and will maintain the required security.²⁰ If the security is provided by a contract of insurance, the insurer must provide evidence of that coverage.²¹

Chapter 684 prohibits: (a) operating a vehicle without the required security; (b) operating a vehicle without evidence of current insurance; and (c) refusing to surrender, upon demand, proof of the required security.²² A person who violates any of these provisions will be fined between \$100 and \$500 unless he presents evidence that the required security was in effect at the time of demand.²³

Lorne Malkiewich

FOOTNOTES

1. 1973 Nev. Stats. ch. 530 at 822 (enacting Nevada Motor Vehicle Insurance Act, repealed by 1979 Nev. Stats. ch. 660 (hereinafter "Ch. 660")).
2. Ch. 660 §10; 1979 Nev. Stats. ch. 684 §5 (hereinafter "Ch. 684").
3. 1973 Nev. Stats. ch. 520 §20, at 825 (NRS 698.190, repealed by Ch. 660 §9).
4. 1973 Nev. Stats. ch. 530 §§8, 25, at 823, 826 (NRS 698.070, 698.250, repealed by Ch. 660 §9).
5. 1973 Nev. Stats. ch. 578 §42, at 1085 (NRS 698.280, repealed by Ch. 660 §9).
6. Id.
7. Id.
8. Ch. 660 §9 (repealing NRS 698.190; 1973 Nev. Stats. ch. 530 §20, at 825).
9. Id. §7 (adding to NRS Ch. 609B).
10. Compare Ch. 660 §7 (adding to NRS Ch. 690B) with 1971 Nev. Stats. ch. 660 §539,

at 1778 (NRS 690B.030, repealed by 1973 Nev. Stats. ch. 530 §58, at 841).

11. Compare NRS 484.263 (as amended by Ch. 684 §3) with 1977 Nev. Stats. ch. 461 §1, at 915 (NRS 484.263).
12. Ch. 660 §9 (repealing NRS 698.200; 1977 Nev. Stats. ch. 523 §2, at 1093).
13. Compare NRS 482.215 (as amended by Ch. 684 §1) with 1977 Nev. Stats. ch. 463 §16, at 923 (NRS 482.215).
15. Compare NRS 485.200 (as amended by Ch. 600 §3) with 1973 Nev. Stats. ch. 747 §9, at 1546 (NRS 485.200).
16. Compare NRS 485.308 (as amended by Ch. 660 §4) with 1973 Nev. Stats. ch. 530 §54, at 837 (NRS 485.308).
17. Ch. 684 §4 (adding to NRS Ch. 690B).
18. Id.
19. Id. §4 ¶ 2 (adding to NRS Ch. 690B).
20. Id. §§1, 2 (amending NRS 482.215(3)(e), 482.280(2)(a)).
21. Id. §§1, 2 (amending NRS 482.215(3)(f), 482.280(2)(b)).
22. Id. §3 (amending NRS 484.263(1)).
23. Id. §3 (adding NRS 484.263(2), 484.263(3)).

MOTOR VEHICLES; LEASING

Adds to NRS Chapter 100

Amends NRS 97.105

SB 262 (Blackmore); STATS 1979, Ch 597

(Sections 1,2,7-12 effective June 2, 1979;

Sections 3-6 effective September 1, 1979)

Chapter 597 specifies the rights and liabilities of vehicle lessors and lessees at the termination of the lease and also requires certain disclosures in commercial vehicle leases.¹

Chapter 597 applies specifically to "open-end" vehicle leases.² "Open-end" vehicle leases (commercial and non-commercial) base the lessee's liability at the termination of the lease on the vehicle's residual value. The lessee is liable for the difference between the residual value and either the estimated residual value or the unamortized capitalized cost of the vehicle. Under the "estimated residual value" method, the lessee guarantees the estimated value of the vehicle at the termination