SB 194 Information Sheet:

Purpose and Intent: *Senate Bill 194 aims to amend NRS 482.31565 to address and close a loophole that currently allows individuals without personal vehicle insurance to use rental vehicles as a substitute for personal vehicle ownership. This practice has led to a disproportionate financial impact on short-term vehicle lessors due to elevated insurance claims.*

Key Points:

1. Amendment to NRS 482.31565(1):

• Insurance Requirement: Requires every individual seeking to enter into a short-term lease to provide proof of personal automobile insurance that meets or exceeds minimum liability coverage requirements.

• Compliance Mandate: A short-term lessor **is not** required to lease a vehicle to individuals who fail to provide proof of personal automobile insurance.

2. Subsection NRS 482.31565(2):

• Alternative Coverage Option: Allows short-term lessors to offer temporary insurance coverage or refer individuals to third-party providers if the renter cannot provide personal insurance.

• Market Rate Compliance: Ensures that any temporary coverage offered does not exceed standard market rates and remains optional to the renter.

3. Importance of NRS 482.31565(4):

• Prohibition of Coercive Practices: Provides protections against unfair, deceptive, or coercive practices by lessors, such as refusing to honor reservations or requiring deposits if optional services are declined.

Bottom Line: Under this section, requiring a renter to provide proof of insurance, whether it is their personal car insurance policy, a third-party temporary policy for the purpose of renting a vehicle, or if the renter chooses to purchase temporary insurance through the car rental business itself, does not constitute an unfair, deceptive or coercive practice.

SB 194 has a positive impact on Nevadans:

- **Promotes Financial Responsibility**: Ensures all drivers, both owners and renters, carry personal automobile insurance.
- **Protection for Car Rental Companies**: Reduces financial risks and burdens on rental companies by mitigating the exploitation of legal loopholes.
- **Enhances Public Safety**: Aims to reduce the number of uninsured drivers on Nevada roads, potentially decreasing uninsured accidents.
- **Increased Accountability**: Encourages responsible behavior by ensuring all drivers are insured, reducing the potential for uninsured accidents that can lead to higher costs and risks for all road users.
- **Consumer Protections**: Strengthens consumer protections against aggressive sales tactics related to insurance and other optional services.

Questions? Contact Charlie De La Paz on behalf of Malco Enterprises, Budget Car & truck Rentals - 702-286-6945 - charlie@3chousenv.com or Zoë Houghton: zoe@3chousenv.com