

Assembly

MINUTES OF MEETING - COMMITTEE ON JUDICIARY, 53rd Legislature, February 17, 1965

Meeting was called to order at 2:00 P. M.

Present: Close, Swobe, Kean, Parsons, Delaney

Absent: Knisley, Olsen, Rosaschi, Jacobsen

A Public Hearing on A. B. 234 Licensing and practice of professional engineers and land surveyors, was held.

MR. EUGENE SPROUT, President of Professional Engineers of the State of Nevada was present to speak on the bill. Also accompanying him were several members of his committee, and members of the Board of Registration. Mr. Sprout submitted four amendments to the bill as it is now drawn.

(1) Page 1, line 11 through 12 concerning clarification of last line "without assuming responsible charge of work". They suggest these words be removed.

(2) Page 2, Section 3, Paragraph 2 concerning appointments to the board. Strike out lines 14 through 18. Insert Amendment No. 243.

(3) Section 625.240 concerning the operation of an office of engineering. It is desirable to have a registered engineer. Section 10, Amendment #244.

(4) The last change deals with Section 625.500, exemption paragraph. They would suggest lines 14 through 17, page 7 be changed in accordance with Amendment No. 245.

Mr. Sprout stated that they are trying to perfect the bill a little more is their reason for these changes.

Mr. Sprout then mentioned two or three other minor changes:

(1) Page 2, line 12 and 13 - delete "but no person shall be appointed for more than two consecutive 4-year terms.

(2) Page², Lines 33 and 34, remove brackets and leave as original bill.

(3) Page 3, Line 3, delete "secretary of state" and insert "physical analyst".

(4) Page 6, Line 1, change "6" years to "8" years.

Mr. Sprout stated that this committee was composed of Professional Registered Engineers throughout the state. They have tried to get the thinking of engineers in general throughout the state.

It was suggested that a Code of Conduct be drawn by the Board of Registration. This would be voted upon by those to be governed.

Mr. Swobe will work on this amendment.

Mr. Jack McCall, Attorney for the State Board of Architects, Reno Chapter and Las Vegas Chapter of Architects, stated that they are in favor of changes as proposed by amendment for 625.500. They do not feel exemption is desirable as pertains to architects. They would favor passage of legislation.

Mr. Edward Pine, representing the State Board of Registered Engineers, stated that they are in favor of amendment as presented by Mr. Sprout.

Mr. Ted Contrey, President of Nevada Section of American Association of Civil Engineers spoke in favor of A. B. 234, as amended.

Mr. Oliver Thomas, Nevada Railroad Association favored A. B. 234, as amended.

The Public Hearing on A. B. 234 was adjourned at 2:30 P. M.

The regular meeting of the Judiciary Committee was held.

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Present: Close, Kean, Parsons, Jacobsen, Swobe, Olsen, Delaney

Absent: Knisley, Rosaschi

A. B. 95 Enlarges definition of peace officers to include arson investigators for fire departments

This was amended to S. B. 138.

Mr. Kean moved we do concur

Mr. Swobe seconded

Motion unanimously passed

A. B. 45 Deletes provisions relating to registration under protest of economic poisons. Mr. Knisley was not present to speak on this.

A. B. 303 Declares that sheriffs shall not be liable for charges incurred in safekeeping of property.

Mr. Olsen will check further on this.

A. B. 304 Cuts off redemption of tax-delinquent real property after conveyance to county treasurer.

Mr. Close explained the procedure used on tax delinquent property. This bill as proposed would cut off the second redemption period. It would allow only two years for redemption.

It was suggested that the property be put up for sale by the County Commissioner six months after the two year redemption period. This bill will be given more thought before action is taken.

A. B. 307 Malicious killing of another's animal.

Mr. Knisley was not present to speak on this.

A. B. 309 Provides penalties for possession of dangerous drugs without prescription.

Mr. Close read a list of the drugs involved.

Mr. Morgan Anglim, Representative of the State Board of Pharmacy, felt that it would be to some advantage if the Committee would have a member of the Board of Pharmacy speak and explain some of the drugs and the effect they might have. This bill will be held for further discussion.

A. B. 321 Establishes uniform fees for county recorders

Mr. Swobe will check further on this.

S. B. 69 Amends requirement for notification of stolen or abandoned vehicles.

Mr. Kean moved Do Pass

Mr. Swobe seconded

Motion passed unanimously

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S. B. 82 Amends real estate law with respect to brokers' licenses.

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Mr. Close stated that many real estate brokers are opposed to this bill. Mr. Swobe will call Mr. Harry White, representative of Real Estate Board in Reno, and Mr. Olsen will contact the president of Las Vegas Board.

S. B. 98 Clarifies requirements for judgment docket book.

Mr. Swobe will check later.

S. B. 107 Facilitates transfer of stock in Nevada corporations through regulated stock exchanges.

Mr. Kean stated that the New York Stock Exchange brokers have a "floating block of stock". As stock is transferred brokers will hand these over from one to the other. This is being changed and the transfer will be on paper, by number, similar to a bank account. S. B. 107 would allow Nevada to participate in this.

Mr. Kean moved Do Pass
Mr. Delaney seconded
Motion unanimously passed

A. B. 80 Land Subdivision Act

Mr. Close presented three amendments to this bill which were requested by the Real Estate Division. These amendments pertained to Section 4, Page 2; Section 5, Page 2; and Section 6, Page 2.

Mr. Kean moved Do Pass with the exception of number 8
Mr. Jacobsen seconded
Motion passed unanimously

A Public Hearing on A. B. 81, Regulate instalment sales of goods and services, was held at 3:30 P. M.

Mr. Morgan Anglim introduced Mr. Don Horner, who is in charge of the statewide division of Instalment Loans of the First National Bank. Mr. Horner feels that A. B. 81 is too difficult to understand to administer property in every day sales and financing. Mr. Horner has studied the New Mexico bill, and Mr. Close asked him if he would give the Committee his comments in writing, since the Committee has not had a chance to examine it themselves.

Mr. Sam Belford, of the First National Bank, feels that if this bill is passed the commercial code and retail sales act should agree, or mistakes could easily be made. Under Section 27 of A. B. 81 the seller gives the buyer a statement of what he owes. This is comparable to 9-208, Uniform Commercial Code. He asked if these could be brought together just for administrative ease. Mr. Belford will submit this in writing.

Mr. Sanford stated that A. B. 81 excludes motor vehicles. This was not an oversight. It was designed to take care of practices where conditional sales contracts have been made with no rate given, and contracts filled out in blank. A. B. 81 is to provide for disclosure of all charges. He stated that the Attorney General felt that if a person continued to violate this act a court injunction could be obtained.

Mr. Sanford said the rate application was left applicable to only motor vehicles and did not include other items. This is the objection to A. B. 81, that it does not make applicable to all goods. After talking to Mr. Grant Robison, Superintendent of Banks he suggested a rate of $1\frac{1}{2}\%$ on revolving accounts and 10% add on.

Mr. Close asked if the gentlemen representing the bank would draft an amendment for the New Mexico bill with these rates, and submit to the Committee. Mr. Kean asked if they would also give any suggestions that might be passed on to the Bill Drafter.

Mr. Horner told the Committee that when a contract is prepaid there is a minimum charge of \$25.00 which is taken out for handling the contract. The rate refund is then computed on the balance.

Mr. Anglim stated that Mr. Dickerson's primary interest was full disclosure together with the opportunity to have effective control of violation. Would this type legislation actually be necessary to reach this kind of situation?

It was suggested that the present act be left in and just add the amendments covering the two areas needing change.

Mr. Kean was asked to draft amendments to this bill and refer back to the committee.

Changes suggested were:

- (1) Injunctive procedure for effective control.
- (2) Full disclosure
- (3) Not only to automobiles but all goods
- (4) Include a limit on revolving credit

Mr. Kean moved Do Not Pass
Mr. Delaney seconded
Motion passed unanimously

A Public Hearing was held on A. B. 292, Enacts Unfair Trade Practices Act. Meeting commenced at 4:00 P. M.

Mr. Clyde Biglieri, Secretary-Manager of North Nevada Grocery Association spoke to the Committee, stating that there is a serious problem with price cutting in the Northern part of the state. He submitted a list of items and the percentage they are being sold below actual cost. These prices are taken from the week-end specials of all the big chain stores. Mr. Biglieri stated that this forced the smaller stores to either meet these prices at a loss of money, or not meet the prices resulting in a loss of customers.

Mr. Tate Williams, Manager of the retail merchants in Reno, stated that he met with the department stores and they are in favor of this bill. If price cuts continue it will result in a "survival of the fittest".

Mr. Herb Sewell, of Sewell Markets, is in favor of the bill. He stated that they welcome new chain stores into the state, but get into competitive battles. He pointed out that large chains get money from the stock market, and also get the choice locations. He stated that in Fresno 22 stores went broke on a competitive war like this.

Mr. Claude Stewart, from Eagle Thrifty Drugs and Markets in Reno, stated that he represents a small chain of four stores but they are not big enough to weather the storm.

against the larger chains. He stated that the large chains could force them to sell their stores or go out of business. Lack of profit stops new growth. He stated that he purchases merchandise through local areas and employs local people.

Mr. Barry Brooks, of the Model Dairy in Reno, stated that anything affecting the grocery stores affect the dairymen as well, which in turn affects their suppliers.

Mr. Dean Streeper, stated that their gross last year was 3% over cost. Maximum would be between 3% and 5%. No store can stay in business if they continue to sell below cost. He stated that the merchandise sets on the shelves during the week while the shoppers wait for the week-end specials. Mr. Streeper is in favor of A. B. 292.

Mr. Bill Mitten, retired from J. C. Penney, stated that no money is made by cutting prices below cost. These cuts will have to be made up some place else. He stated that the stores in Reno are suffering. This is noticeable because so many in Reno are having to do it to meet their payrolls and keep their business.

Mr. Close stated that this bill provides methods whereby persons enforcing bill can look at company's books. How do the grocers feel about this?

Mr. Biglieri stated that the major lines are carried in a wholesale book. This book is used to supply all stores whether chain or not.

Mr. Sewell stated that wholesalers cannot quote one price to one store and another to another store. Major chain companys' books are open for inspection.

Mr. Ken O'Connell, Las Vegas Chamber of Commerce, is opposed to bill.

Mr. Bunker brought several men who are indepent retailers in Clark County. He stated they strongly object to this bill. He submitted a list of comparisons on sales price and 6% mark up. Mr. Bunker stated that large chains manufacture and package merchandise under their own name brands. In this way they could use this bill to their own advantage since items under their own name could be sold at their own price.

Mr. Bunker also stated that under A. B. 292 merchant cannot limit number of items sold to one party when advertised. This would enable competitors to come in and buy item by the truckload.

He also felt that the cost to administer the enforcement of this bill would be a tax burden on the people. He stated that (1) Passage of A. B. 292 would place the individual in a position where he could not effective operate; (2) Price controls are nothing more than collusion; (3) Purpose is to make food costs at lowest possible level. This is best accomplished by free enterprise system; (4) Retail food stores must be left to operate to best serve the public and not be hindered by legislation. He strongly objects to A. B. 292.

Mr. William Candell, Federated Employers of Nevada, representing 200 employers, stated they are opposed to price fixing by business or government. They feel that A. B. 292 is price fixing bill.

In the Las Vegas area the Teamsters Union provides drugs at cost to 3,000 members. Teamsters would be found in violation of A. B. 292. The Culinary Union has a similar plan. The hotel and casino operators follow a practice in Southern Nevada of giving free drinks to customers. Would this be prohibited? As a spokesman for private enterprise he feels it is ill-advised to effect government to step in.

Mr. Clazier from Las Vegas said he compared Reno ads with Las Vegas. He stated that he had run some "hot ads" and made money doing it.

Mr. Wendell Tobler, Las Vegas, stated that in 1954 he started in a small market and now has three. He feels that anyone who is willing to work hard and merchandise can grow. He stated, "We do not need a crutch in this organization, we need to work". Mr. Tobler is opposed to A. B. 292.

Mr. Nargas, of the Research and Education Association, is opposed to the bill. He wants to operate on free enterprise,

One of the Las Vegas merchants stated that they have had price wars such as Reno is now having, but if you leave it alone it will straighten itself out.

Mr. Ranae Cardinal, Wellington merchant, feels more rural general merchandise stores that many states. Many are close enough to larger areas that housewives come into the larger areas to shop. He stated that groceries are not the only things available to sell as loss leaders, and he feels this would eventually close the small stores in the rural areas.

Mr. Orlin C. Elverin, County Fair, stated that he is opposed to the government running his business.

Mr. Buster Sewell, Sewell's Markets, told the Committee the number of chain stores, supermarkets, etc., in the Reno area.

Mr. Jacobsen moved to adjourn
Mr. Delaney seconded
Motion carried

Meeting was adjourned at 5:10 P. M.