

Senate

JUDICIARY COMMITTEEMINUTES OF MEETING HELD
FEBRUARY 1, 1967

The meeting of the Judiciary Committee was held at 2:50 P.M., Wednesday, February 1, 1967, in Committee Room 56, State Capitol Building, Chairman Monroe presiding.

Members Present:

Warren L. Monroe, Chairman
V. L. Bunker
M. J. Christensen
Carl F. Dodge
C. Clifton Young

Members Absent:

Procter Hug, Sr.
Coe Swobe

Also Present:

John Koontz, Secretary of State
Senator Casey Fisher
Joe Jackson, Nevada State Journal

Chairman Monroe announced that the Secretary of State, Mr. John Koontz, had been invited to be heard on Senate Bill No. 24.

Mr. Koontz stated that the Bill was intended to clarify the duties of the Secretary of State's office insofar as distribution of publications caused to be printed by the Supreme Court. The publications are delivered to the Secretary of State's office to be sold, or delivered to authorized persons including the State Library. So many of them have been sold that the supply is now depleted. They believe that due to the increase in the number of attorneys and the population increase the number of Statutes authorized should be increased from 500 to 750. Mr. Koontz went over the changes point by point including the charges to be made.

Senator Monroe asked Mr. Koontz whether separating the Law Library from the State Library would require additional numbers of publications. Mr. Koontz replied that the Law Library would require additional publications as they could now use them in a reciprocal trade to obtain similar publications from other governmental bodies as long as they have the same value.

Mr. Koontz also asked for an amendment to correct an oversight. He explained that there was no logical way to keep receipts as most of them are mailed. The wording requested was: "The Secretary of State shall make a proper record of the books as distributed and keep the record in his office." The members agreed that this was a reasonable amendment.

Disposition: The Committee, by unanimous consent, agreed to "Do Pass Senate Bill No. 24 as Amended."

Mr. Koontz left the meeting at this time. Chairman Monroe proceeded with the review of Bills under consideration.

S.B. 39 "Increases maximum amount of certain liens entitled to priority over lien for sale or lease of certain personal property.

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Chairman Monroe stated that the Banks were very much opposed to this legislation, he had received calls from Messrs. Kwapil and Fitz. Senate Bill No. 58 which extends the storage time from 20 days to 45 days was also discussed. Also discussed were the reasons that it was impossible to set forth the legal owner on the registration slip.

Disposition: Senator Bunker suggested that the Bill be held over pending consideration by the full Committee and the hearing of additional testimony.

S.B. 40 "Deletes reference to group insurance premium fund for state employees."

The Bill is to correct the language which was only used to obtain the original appropriation for employee's insurance, the Bill doesn't affect the responsibility of the employee for payment but refers to it as a "standard budgetary item."

Disposition: The Committee, by unanimous consent, agreed to "Do Pass Senate Bill No. 40."

S.B. 53 "Requires uninsured motorist insurance provision in new automobile insurance policies."

It was announced that the Committee would hear Mr. Bill Parish on this proposed legislation tomorrow, February 2nd. Also, Pete Kelly should be invited to the hearing as he would have an interest.

S.B. 54 "Prohibits issuance, use, gift, sale, or other distribution of trading stamps."

It was agreed that it would be necessary to hold Hearings on this Bill. Senator Dodge commented that he was opposed to the legislation, even though he didn't like them himself, but this was not from the standpoint of the consumer, but rather from the standpoint of telling a businessman whether he can or cannot. Senator Christensen commented that he felt there were two good reasons to eliminate the trading stamps: 1. The merchant pays 2 mills for the stamp and the customer receives 1 mill in return for merchandise, so 1 mill inevitably leaves the State; and, 2. A competing merchant cannot buy the same stamp if they are within a certain area of closeness. Senator Dodge added that the Chamber Manager in Las Vegas had told him that only 40% of the stamps issued were ever redeemed. Senator Dodge was informed that Senator Young was having a Bill drafted to collect the unredeemed proceeds and use the revenue for conservation purposes.

Disposition: Senator Christensen was requested to set up a Hearing for the Las Vegas Chamber of Commerce delegation, and Senator Young was requested to set up a date for Hearing the Reno Chamber delegation. Any date would be acceptable except February 8th and 9th.

S.B. 57 "Places law section of Nevada State Library under supervision and control of Supreme Court."

Senator Monroe stated that he had talked to Mrs. Heyers and that she

wasn't particularly interested in coming over to testify -- she is willing to abide by the decision of the Committee. She also told him that there would not be any trouble in dividing the functions so she isn't dead set against it. She stated that the primary problem in supplying the Law Library was not having enough money because a great deal of it had to be spent on the purchase of supplements. It was noted that there was an increase in salary for the Law Librarian which would make it necessary to re-refer to the Finance Committee. Senator Christensen suggested that it be re-referred with a recommendation.

Disposition: ON MOTION of Senator Dodge, seconded by Senator Young, and unanimously passed, it was agreed to "Re-refer Senate Bill No. 57 to the Finance Committee with the recommendation to Do Pass."

Mr. Russ McDonald entered the meeting at 3:45 P.M. to advise the Committee on several Bills.

A.B. 32 "Amends filing fees under Uniform Commercial Code and resolves statutory conflicts."

Mr. McDonald advised the Committee that he felt it was essential to pass this Bill substantially as drafted. The Uniform Commercial Code probably had 150 sections attached and amended at the end of the Session and we were aware of all the conflicts but it would have taken a minimum of three legislative days to correct them. It was agreed to allow the Bill to stand as it was and correct the mistakes at the 1967 Session. There are four important situations to be taken care of:

1. After the last Session the Secretary of State having certain duties under the U.C.C., representatives of the banks and county recorders office's and Mr. McDonald had to do two things, beginning March 1st there will be a flood of filings and we worked things out so that the Secretary of State has to approve the form to be used, it doesn't prevent the filing of a non-uniform filing but they would have to pay a higher fee.
2. Provide for an increase in the filing fee. This Bill proposes, by agreement, to increase the filing fees, in some cases it was only 50¢ and some \$2.00 or \$3.00. This was in agreement with the banks and others because there will be increased costs.
3. This provision was requested by bankers and finance houses, you will notice on Page 20, Line 35 of the Bill, it states: "Sec. 26. The secretary of state and the county recorder of each county in the state are authorized to accept for filing during the month of February, 1967, any instrument entitled to be filed under the Uniform Commercial Code, but no such filing shall create any legal right or impart any notice until March 1, 1967." The pre-filing period is to provide the people having to work with it an opportunity to become familiar with the procedures.

Mr. McDonald stated, that if the Committee accepted the idea of a

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pre-filing, the Bill should be passed out right away. Senator Young queried Mr. McDonald at length on some of the provisions, and objected to passing the Bill until he had some specific answers to his questions. Mr. McDonald suggested that the Committee meet with Mr. Frank Daykin as he had done most of the research and study on the Bill.

Disposition: Chairman Monroe requested that Mr. Daykin appear before the Committee at 10:20 A.M., Thursday, February 2, 1967.

A.B. 33 "Transfers provision for consumption of crops where livestock is mortgaged from Chapter 106 to Chapter 104 of NRS."

Mr. McDonald stated that this again is part and parcel of the U.C.C. and resulted from a Hearing two years ago, relative to the cow eating the hay. This provision was written in the Bill with Mr. Humphrey's consent, it preserves the agreement that the forage must be mortgaged with the cattle.

Disposition: Held over. To be considered with A.B. 32.

A.B. 72 "Provides for processing claims of district judges' widows."

Mr. McDonald stated that this was one of the Bills he had requested. It was recommended because there was an oversight last Session, for years we have attempted to process the claims but it hasn't worked out and this Bill would place the responsibility where it belongs.

Disposition: ON MOTION of Senator Young, seconded by Senator Bunker, and unanimously passed, it was agreed to "Do Pass A.B. 72."