

JUDICIARY COMMITTEEMINUTES OF MEETING HELDFEBRUARY 13, 1967

The meeting of the Judiciary Committee was held at 2:45 P.M., Monday, February 13, 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  
Procter R. Hug  
Coe Swobe

## Members Absent:

C. Clifton Young

## Also Present:

Senator Fisher  
John Koontz, Secretary of State  
Frank Daykin, Legislative Counsel Bureau  
Frank Fahrenkopf, Breen & Young  
Samuel W. Belford, Belford & Anglim  
Joe Jackson, Nevada State Journal

Chairman Monroe stated that the Committee would review the Bills under consideration.

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

Disposition: ON MOTION of Senator Swobe, seconded by Senator Bunker, it was unanimously agreed to Do Pass Senate Bill No. 53."

S.B. 65 Provides minimum time periods before Supreme Court Rules and Rules of Civil Procedure take effect.

After discussion, it was agreed that the Bill merely clarified the language of the original legislation but did not change any of the provisions.

Disposition: ON MOTION of Senator Swobe, seconded by Senator Christensen, it was unanimously agreed to Do Pass Senate Bill 65.

S.B. 71 "Specifies circumstances under which total number of directors of private corporation can be reduced to less than three."

After discussion of the proposed legislation the Secretary of State, Mr. John Koontz, was asked to appear for consultation. Mr. Koontz commented that the Bill was, more or less, necessary in connection with the Bill passed where a corporation could have one stockholder. However, he stated that he was not legally qualified to pass on the Bill and had no recommendation to make.

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Mr. Daykin advised that the Bill had been requested by the Bar. The basis of the request was that, at the last Session legislation was passed to permit a corporation to have only one or two stockholders, and this Bill would parallel by permitting one or two directors. Senator Swobe asked Mr. Daykin if the Bill affected the requirement of three persons to incorporate, to which Mr. Daykin replied in the negative.

Disposition: It was unanimously agreed BY CONSENT to "Do Pass Senate Bill 71."

S.B. 91 "Allows certain elected municipal judges to solemnize marriages."

Disposition: Held over. To be considered as part of the whole marriage ceremony question.

S.B. 68 "Provides for summary eviction or exclusion of certain tenants."

Senator Monroe stated that he had checked the provisions of the Bill with Frank Daykin, and had been informed that many of the other states had similar laws and that Ohio had an even tougher one. Chairman Monroe read the two Amendments.

Disposition: ON MOTION of Senator Dodge, seconded by Senator Swobe, it was unanimously agreed to "Do Pass Senate Bill 68."

S.B. 141 "Extends liability of parent or guardian for willfull misconduct of minor."

Chairman Monroe commented that Senator Swobe, who introduced the Bill, had included "injury or death to another person" and raised the liability limit from \$300. to \$5,000; whereas, S.B. 95 which he had introduced as not as comprehensive. After full discussion the Committee agreed that the monetary liability be lowered to the amount of \$2,000. by Amendment.

Disposition: ON MOTION of Senator Swobe, seconded by Senator Christensen, it was unanimously agreed to "Do Pass as Amended Senate Bill 141."

S.B. 96 "Provides for substitution of trustee under deed of trust by recording instrument of appointment without conveyance by former trustee."

Senator Swobe commented that under the present provisions of the Bill it is ambiguous as to whether the beneficiary actually controls the naming of the trustee; in that, the former trustee must "convey" to the newly appointed trustee. In the event that it was impossible to accomplish such a conveyance it could create a cloud on the title. This Bill would clarify the situation, as the beneficiary would designate the trustee. Senator Christensen inquired into the situation concerning underage beneficiaries, and Senator Swobe replied, that in that event the guardian would appoint the trustee.

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Disposition: ON MOTION of Senator Dodge, seconded by Senator Christensen, it was unanimously agreed to "Do Pass Senate Bill 96."

S.B. 102 "Revises, standardizes vagrancy laws on all governmental levels within State."

Chairman Monroe requested Mr. Daykin to provide the Committee with the background of this proposed legislation. Mr. Daykin advised that the Bill had been requested by Justice Bruce Thompson Federal Court, as a back-up Bill. It seems that last year he found it necessary to find that the City of Reno Ordinance, as drafted, relative to vagrancy was unconstitutional and that the terms were vague. The provisions in this Bill would make it possible for the police to hold suspicious persons while investigating them, and, in his opinion, he could uphold an arrest that meets the conditions set forth. After passage of this Bill, County laws can be enacted to conform, and the various city laws and charters can be amended.

Senator Dodge asked if they should defer consideration of this Bill until the revision of the Criminal Code had been considered. Mr. Daykin replied that if this Bill were passed the Criminal Code would be amended to delete this Section since it would already have been passed.

Disposition: Held over. To be considered with Bill to revise the entire Criminal Code.

S.B. 108 "Provides for lien on property of tenants of unfurnished houses or apartments for nonpayment of rent."

Senator Dodge commented that the original concept of liens was to protect the man providing services and give him a position of first security -- which we have discussed before. The theory is that the fellow who has performed the labor and used the parts is entitled to the position of security and it's called a mechanic's lien. He mentioned that he didn't know what other extensions had been made under the law, but a couple of years ago they gave trailer people a ground rent in which the lien attaches to the trailer up to the amount of \$200. for ground rent. Now, the trailer is a second cousin to a vehicle, but, it is also second cousin to a house; in that, it is a place to live. The intent of this Bill is evidently to extend the tenant-owner relationship to include the rental of houses and attachment of furniture and so forth. He also expressed the thought that he had mixed feelings about how far to extend the lien law.

Senator Christensen stated that a lien law is a mortgage and he questioned a situation wherein the financing agency would be required to subordinate their mortgage to a lien. Senator Dodge replied that this was a compromise between the finance companies and trailer people, and they knew at the time they would be in second position.

Senator Svobe commented that a limit may have to be put on this. He also mentioned that the Committee should have someone from the financial institutions appear for consultation unless a limit was placed on it.

Senator Dodge commented that, in his opinion, Bills of this type where the sponsors and reasoning were obscure they should be put in a "deferred file" until someone appeared on their behalf.

Disposition: Held over.

S.B. 111 "Proposes additional qualifications for licensing of real estate brokers, salesmen; provides city license reciprocity for brokers, salesmen."

Chairman Monroe stated that this legislation was intended as a "tightening up" of the regulations governing real estate sales.

Senator Christensen suggested that where the term "high school graduate" was used, "high school graduate or equivalent" should be substituted.

Disposition: Held Over. Hearing to be set for real estate people to appear.

S.B. 117 "Requires hearing before juvenile may be returned to correctional institution for parole violation."

Chairman Monroe mentioned that he thought it might be well to discuss this Bill with Dwight Nelson before taking action.

Senator Dodge also commented that Assemblyman Tom Kean proposes to introduce a Resolution to authorize a study of the whole Juvenile Code.

Disposition: Held over. Committee will consider after receipt of the proposed Resolution as mentioned above.

Chairman Monroe recognized Mr. Frank Fahrenkopf, associated with Breen & Young, and Mr. Samuel W. Belford, of Belford & Anglim. Mr. Belford addressed the Committee and commented on Assembly Bill 32, as follows:

Section 1. Present wording makes reference to statute of limitations in 2-725 relative to actions for breach of contract. Does not make reference to other statutes of limitations in Code; e.g., 6-111. Recommend wording be changed to read as follows: "or by or pursuant to the Uniform Commercial Code".

Section 2. Deletes certain statutory presumptions. Recommend that the following deletions of NRS 52.070 be reinstated:

9. That an obligation delivered up to the debtor has been paid.

19. That private transactions have been fair and regular.
20. That the ordinary course of business has been followed.
39. That there was a good and sufficient consideration for a written contract.

**Nevada Variations From 1962 Official Text Which Might Be Reexamined:**

10-104 Subsection 1 of Official Text reads, "(1) The Article on Documents of Title (Article 7) does not repeal or modify any laws prescribing the form or contents of documents of title or the services or facilities to be afforded by bailees, or otherwise regulating bailees' businesses in respects not specifically dealt with herein; but the fact that such laws are violated does not affect the status of a document of title which otherwise complies with the definition of a document of title (Section 1-201)."

That subsection was omitted from Chapter 104 of NRS. Perhaps it should be added as a new section, 104.7106. The same treatment was accorded to 10-104(2), 10-102(2) and 10-101.

Chairman Monroe asked Mr. Daykin for his opinion relative to the proposed changes. Mr. Daykin replied that they would improve the Code and recommended their adoption.

Disposition: Held over until amendments are received from Mr. Daykin.

Chairman Monroe announced that the Assembly Judiciary Committee had scheduled a Hearing on the Abortion Bill for 2:00 P.M., Thursday, February 16th, and urged that the members attend in order to eliminate the necessity of another Hearing if it was passed to the Senate.

Chairman Monroe read the summaries pertaining to several proposed Bills that Senator Swobe had been asked to have the Judiciary Committee consider introducing.

S.J.R. 8 "Proposes constitutional amendment to enable board of county commissioners to determine salaries of other county officers."

Senator Swobe commented that he would suggest that this be held over as there is a similar Bill coming over from the Assembly and they could be considered at the same time.

S.B. 137 "Makes extensive changes in provisions relating to vital statistics."

Senator Dodge stated that he had discussed this Bill with Senator Hecht and had been advised that the legislation had been suggested by the Governor in his message. He also said that he thought it was good legislation as it clarifies the definition of "vital statistics", they have added marriage,

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annulments of marriage, and divorces, all of which would be centralized at State level. He also mentioned that the fees provided in the Bill would make the operation self-supporting.

Disposition: ON MOTION of Senator Swobe, seconded by Senator Christensen, it was unanimously agreed to "Do Pass Senate Bill 137." (Note: Motion was rescinded at Meeting on 2/14/67)

S.B. 143

"Authorizes alumni associations to incorporate as nonprofit corporation."

Senator Swobe explained that the University of Nevada Alumni Association desired the legislation to permit their incorporation in order to simplify the procedures necessary when undertaking fund drives, he also stated that under the present regulations that it became very cumbersome to insure that each donation be designated to a particular fund.

Disposition: ON MOTION of Senator Christensen, seconded by Senator Swobe, it was unanimously agreed to "Do Pass Senate Bill 143."

The meeting adjourned at 4:15 P.M.