

SENATE COMMITTEE ON COMMERCE

126

MEETING MINUTES

Date: Monday, March 24, 1969

Committee Members Present: Marvin L. White, Chairman
 Chic Hecht
 Floyd R. Lamb
 Coe Swobe

Committee Members Absent: Emerson Titlow

Others Present: Mr. Hugo Quilici, Director, Department of Commerce
 Mr. Louis Mastos, Insurance Commissioner of Nevada
 Mr. Douglas Erickson, Chief Deputy Insurance Commissioner
 Mr. John Porter, Deputy Attorney General
 Mr. Don McNelley, Administrator, Division of Real Estate
 Mr. Preston E. Tidvall, Superintendent, Division of Banking
 Mr. John Koontz, Secretary of State
 Mr. Harry Paulsen, Nevada Title Guaranty

Chairman White called the meeting to order at 12:10 P.M.

The chairman announced that the purpose of the meeting was to hear comments and take action on a number of bills which were pending.

A.B. 35 Introduced by Committee on Commerce.
 Authorizes investment of certain public funds in bonds of
 International Bank for Reconstruction and Development and the
 Inter-American Development Bank. Executive estimate of cost: None.

Introduction of the bill for discussion elicited no comment. Senator Swobe moved to kill it; Senator Hecht seconded; motion carried unanimously.

S.B. 99 Requires practical experience for real estate broker's license.
 Executive estimate of cost: None.

Mr. McNelley gave a brief resume of the provisions of the proposed bill. He reminded the committee the bill had been previously discussed. It has to do with the experience/education requirements for licensees. The present law is not specific in this area. The proposed bill provides for experience of one year as a salesman before a man may make application for a broker's license; in addition, there is the requirement of a second year's experience as a salesman or completion of a 96-hour course of instruction in an accredited school. He went on to say that the proposed bill does not "shut the door" to out-of-state brokers wanting to come to Nevada. An out-of-state broker may apply for a Nevada broker's license providing he has been licensed as a real estate broker in his home state for two of the immediately previous three years.

Mr. McNelley also called attention to the change of effective date. Rather than July 1, 1969, the effective date is proposed as October 1, 1969, and this change has been previously discussed and agreed to. This will allow those now attending real estate instruction classes to take the broker's examination in September.

Mr. McNelley reminded the committee that the typographical error appearing in Section 1, Subsection 2, is to be corrected. /The first word, "on," should be "in."

Mr. McNelley then presented an amended bill, which has been drafted to supersede S.B. 99 under discussion. (Copy attached.) Mr. Porter interjected to explain this was thought necessary because the bill, as presented, had been misconstrued by some to mean that two years' experience as a salesman was mandatory.

Mr. Quilici noted that Senator Titlow was absent and recalled that he previously had registered some objection to this bill. He wondered if Senator Titlow had been satisfied in his questions and was now in agreement. Mr. McNelley said he had talked with Senator Titlow and believed him to be now satisfied with the proposed bill.

Committee members pended action on the bill for further discussion.

S.B. 141 Introduced by Committee on Commerce.
Prohibits use of state seal for illegal purposes.

Mr. Koontz briefly covered the history of the introduction of this bill. It was prompted through requests made to the State for permitted reproduction of the state seal on promotional and educational material distributed by various business concerns - Litton Industries, for one. Attorney General Dickerson wrote to the Governor, expressing his (Dickerson's) opinion that the present law was too stringent. The Governor, in his reply, agreed with Attorney General Dickerson and suggested that a change be tabled for action in the 1969 session of the legislature. Essentially, the change is in the substitution of "illegal purposes" for "commercial purposes."

In reply to Senator Swobe's inquiry as to who would determine whether a purpose was "illegal," Mr. Koontz said that anything that might hint at illegality would be submitted to the Attorney General for decision.

The committee postponed action for later discussion.

S.B. 170 Introduced by Committee on Commerce.
Adopts Uniform Consumer Credit Code.

Senator Swobe moved that the committee indefinitely postpone action on S.B. 170 and introduce a Legislative Commission study for a Uniform Consumer Credit Code two years from now; motion was seconded by Senator Hecht and it was so ordered.

Senate Committee on Commerce
Meeting Minutes

March 24, 1969
Page 3.

A.B. 244 Introduced by Mr. McKissick.
Raises maximum amount of group term life insurance that may be carried on a person.

This same bill was introduced and killed at the last session of the legislature. And it was decided not to include it in the new Insurance Code when it was drafted.

Committee action was postponed.

S.B. 375 Introduced by Senators Pozzi and Swobe.
Permits automobile insurance policy holders to have repairs done at garage of their choice.

No comments were made on this bill. Committee action delayed.

A.B. 396 Introduced by Messrs. Lingenfelter, Espinoza, Fry and Capurro.
Relaxes residence requirements for members of the real estate advisory commission.

Provides for the appointment of not more than two members (rather than one) from any one county.

Committee action delayed.

S.B. 461 Introduced by Committee on Commerce.
Proposes various amendments to 1969 Nevada Insurance Code.

Chairman White said he thought the bill, as drafted, was correct and it contains amendments that have all been agreed upon. Mr. Mastos also said that the amendments in this bill were the amendments agreed upon in the last meeting on S.B. 39.

At this point, Mr. Harry Paulsen asked for recognition. He said he spoke for Nevada Title Guaranty, as well as Miami interests, and he asked for the committee's consideration of an amendment to Section 92, Subsection 4, starting at Line 7 of Page 6 of S.B. 461. He took exception to the definition as to what is to be considered the taxable portion of income.

Both Chairman White and Mr. Mastos reminded Mr. Paulsen that there had been numerous hearings on the preparation of the 1969 Insurance Code and that he had had ample opportunity to present his objection before this late date. He was also reminded that the language used in this section had the approval of the majority of the title insurance people, as well as the personal approval of Mr. Emerson Wilson, President of the Nevada Land Title Association.

Mr. Paulsen's proposed amendment was not accepted for consideration by the committee.

The chairman announced two forthcoming committee meetings -

7:00 P.M., Wednesday, March 26, for discussion and action on

S.B. 410	S.B. 213	S.B. ⁹⁷ 144
451	316	
452		

12:00 Noon, Thursday, March 27, for discussion and action on

S.B. 179
196
319
406

All visitors left the meeting and the chairman asked the committee for their recommendations on action to be taken on the various bills.

S.B. 99 Senator Swobe moved to "do pass" with amendments; Senator Lamb seconded; motion passed with three "yes" votes and one "no" vote (Senator Hecht).

S.B. 141 Senator Lamb moved to "do pass"; Senator Swobe seconded; motion carried unanimously.

S.B. 244 Senator Lamb moved that this bill be killed; Senator Swobe seconded; motion passed unanimously.

S.B. 375 The committee voted to hold this bill.

A.B. 396 Senator Lamb first moved for a "do pass" on this bill; the motion was seconded by Senator Swobe and was duly passed. Subsequently, Senator Lamb requested that his motion be withdrawn; he then moved that the bill be killed; the second motion was seconded by Senator Hecht and the motion was passed.

S.B. 449 Introduced by Committee on Commerce.
Confirms privilege of assigning life insurance policies.

It was commented that the only thing this bill does is to allow assignment of group life insurance to avoid assessment of inheritance tax. Senator Swobe made a motion to "do pass." There was no second. Then Senator Lamb made a motion to kill the bill; this motion was seconded by Senator Hecht. The vote was a tie - Senators White and Swobe voted "no"; Senators Lamb and Hecht voted "yes". The decision of the committee, then, was to hold this bill.

S.B. 461 Senator Swobe moved to "do pass" the bill in its entirety; Senator Hecht seconded; motion carried unanimously.

Approved:

S.B. No. 99-Committee On Commerce: Requires practical experience for real estate broker's license.

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Section 1. NRS 645.343 is hereby amended to read as follows:

645.343 (1.) On and after July 1, (1960,) 1969, in addition to the other requirements contained in this chapter, an applicant for an original real estate broker's license shall furnish proof satisfactory to the real estate division that he (has) successfully completed, within 1 year prior to the date of his application for a broker's license, a course of instruction in real estate principles, practices, procedures and ethics, which course may be an extension or correspondence course offered by the University of Nevada, or any other accredited college or university, or by any other college or school approved as provided in NRS 645.345.

2. An applicant for an original real estate broker's license may substitute, in lieu of the educational requirement, proof satisfactory to the real estate division that he was continuously licensed as a real estate salesman in this state or as a real estate broker or salesman in another state or district for at least 1 year within the 3 years immediately prior to the date of his application, and continuously during such time was actively engaged in the business of real estate salesman or broker. was continuously licensed as a real estate salesman in this state or as a real estate broker or salesman in another state for at least 1 year within the 3 years immediately prior to the date of his application and continuously during such year was actively engaged in the business of real estate salesman or broker; and in addition thereto, either

(a) That such applicant, to the satisfaction of the real estate division, was continuously licensed as a real estate salesman in this state or as a real estate broker or salesman in another state for a second year within the 3 years immediately prior to the date of his application and continuously during such second year was actively engaged in the business of real estate salesman or broker; or

(b) That he has successfully completed, within 3 years prior to the date of his application for a broker's license, a course of instruction in real estate principles, practices, procedures and ethics, which course may be an extension or correspondence course offered by the University of Nevada, or any other accredited college or university, or by any other college or school approved as provided in NRS 645.345.