

MINUTES - COMMERCE COMMITTEE - 56TH ASSEMBLY
FEBRUARY 10, 1971

Present: McKissick, Hafen, Lingenfelter, Branch, Dini,
Hilbrecht, Ashworth, Capurro, Poggione

Others present: Assemblywoman Brookman; Lee Burge of
Dept. of Agriculture; Oliver Bolton,
Executive Manager - Nevada Industrial
Insurance; Dr. White, Dept. of Commerce;
Assemblyman Prince; Assemblyman Bryan ;
John Carr, State Health Officer; Jim
Thompson, Chief Deputy - Attorney General's
Office;

Chairman McKissick convened the meeting at 10 a.m.

A.B. 201 - Requires explanatory material to accompany
insurance policies.

Assemblywoman Brookman presented her reasons for introducing this bill. She felt the insured needed more protection and understanding of the insurance they had purchased. Much discussion was held on how voluminous this would be and at much expense to the insurance companies. Oliver Bolton said if this were required, it would probably make the consumer pay more. Dr. White said at present the insurance companies are not competing on a price basis. He pointed out that the average person is unable to find out which coverage is the cheapest as there are so many different types of policies available. The Dept. of Commerce is endeavoring to get the price of insurance down and to move into standarized insurance policy packages. They want a form that will support price competition and get rates down.

Discussion was held on the insurance code which is under study. The Denenberg comments are going to be incorporated into the code so that will cause a delay of printing of the insurance code. Mrs. Brookman asked if there were provisions made in the proposed insurance code for consumer protection. Lingenfelter said this could be included in rules and regulations after the code is adopted.

A.B. 171 - Requires meat advertisements to indicate
USDA grade.

Assemblyman Prince explained that this bill was introduced to get advertisers to put the USDA grade in their ads. However, he pointed out that meat produced in Nevada doesn't have this grade nor does veal, lamb, pork or chicken. Lingenfelter suggested this could be taken care of in the Consumer Protection Act. Lee Burge of the Dept. of Agriculture, asked how this could be enforced, and who would be responsible for this. Also, wouldn't the bill only allow advertising on USDA graded meat? Assemblyman Bryan said that if the meat didn't have a USDA grade, then this bill would not apply to other meats. He showed many ads showing meat being advertised under many different classifications - even one which said "bonded".

Discussion was held on false advertising and it was suggested this be included in the consumer protection study. Jim Thompson of the Attorney General's Office, said this could also come under fraudulent advertising. Mr. Burge brought out that this bill is in reference to NRS 583 and under that statute, it would be dually enforced by environment health and agriculture.

Motion by Hilbrecht to defer action on A.B. 171 until Mr. Bryan working with Mr. Lingenfelter can come up with amendments. Seconded by McKissick and carried.

A.B. 148 - Creates consumer protection responsibilities in office of Attorney General

Mr. Thompson said the Attorney General's office is in favor of this bill but would like a few amendments. He said it was consistent with S.B. 169. He said 29 of 36 states have adopted this type of consumer protection but said the attorney general's office would like it spelled out where they could receive complaints, investigate and make recommendations for prosecution or not. They also request that the word "counsel" be changed to administrator or director. Also, suggested that the Consumer Protection Agency and the Attorney General's Office should both have the authority to put in for new legislation.

Dr. White said the Governor's message stated he would like to have the consumer protection go into the Dept. of Commerce. He said this creates a question of investment. He said he thought the Attorney General's Office as well as the Dept. of Commerce has a definite function in regards to consumer protection. Said the Attorney General's Office should handle the enforcement and Commerce the guidelines.

Hilbrecht moved that they defer action on A.B. 148 until a study can be made of S.B. 169. Seconded by Lingenfelter and motion carried.

A.B. 63 - Expands definition of "public utility"

Hilbrecht said this bill was ready to go with an amendment of the language of the amendment. He moved that a do pass be given A.B. 63 after the amendment has been typed in final form for the Commerce Committee Members information. Seconded by Lingenfelter and carried.

Lingenfelter said he would like to introduce bills as follows.* (1) Defines authority of real estate advisory commission; (2) Provides for professional development of real estate brokers; (3) Clarifies classes of property owners excluded from real estate regulations. Motion by Ashworth that introduction of three bills as proposed by Lingenfelter for Commerce be made. Seconded by Hilbrecht and carried.

* (1) A.B. 248 (BDR 54-698)

(2) A.B. 249 (BDR 54-307)

(3) A.B. 252 (BDR 54-497)

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Assembly Committee on Commerce

Chairman McKissick announced that the joint meeting with the Senate on gaming bills has been rescheduled from February 18, 1971 to February 22, 1971, at 9 a.m. He said he had two additional gaming bills for introduction and asked if they wished them to be introduced so they can be discussed at this joint meeting. Lingenfelter moved we introduce the two gaming bills, seconded by Hilbrecht and carried.

It was also agreed that A.B. 234 and A.B. 239 be included on the agendas for N.I.C. meetings on February 16, and 17.

A.B. 202 - N.I.C. coverage for working children.

Motion by Ashworth for a do pass on A.B. 202. Seconded by Capurro and motion carried.

Meeting adjourned at 11:45 a.m.

* A.B. 250 (BDR 41-1253)

A.B. 251 (BDR 41-93)

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