

Assembly

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MINUTES - COMMERCE COMMITTEE - 56TH ASSEMBLY - March 31, 1971

Members present: Lingenfelter, Hafen, McKissick, Ashworth, Hilbrecht, Branch, Dini, Capurro, Poggione

Others present: Assemblymen Smith, Smalley; John Dawson, Henderson City Manager; David Hagen, attorney for Boise Cascade; Joe Midmore; Bill Adams, Assistant City Manager - Las Vegas; Otto MacFarland, Chief, Fire Prevention Bureau; Dick Bass, State Fire Marshal; Wallie Warren and Noel Clark, Public Service Commission; Pete Kelley, Nevada Retail Ass'n.; Clark Guild, attorney; Dr. Tom White, Dept. of Commerce

Chairman McKissick convened the meeting at 10:40 a.m.

AB-666 - Permits greyhound racing in Henderson.

Assemblyman Smith appeared and requested the committee to reconsider this bill so that it could be brought to the floor. He went over the reasons he thought the bill should be reconsidered. Stated that it would be well controlled, the people operating it would be properly investigated, and it would help the revenue for the City of Henderson. He stated he has never asked for any favors from committee members and realized that some members had conflict of interest so would be unable to vote. John Dawson, City Manager of Henderson, concurred with Assemblyman Smith that it would help Henderson and he hoped it would get on the Assembly floor. Assemblyman Smalley stated that he thought a new kind of gambling such as racing would help gaming and would not be in competition with other gambling. Lingenfelter asked if it would be controlled by racing operating under an agriculture association and it was stated that they thought that this would help agriculture in that there would be horse and dog raising as well as their food production. Branch stated he did have a conflict with this bill but had the utmost respect for Assemblyman Smith. He further stated he had the highest respect for the people of Henderson and would do anything he could for them.

AB-732 - Establishes Nevada Factory-Built Housing Law.

David Hagen, attorney for Boise Cascade, appeared in favor of this bill. He recommended that definition of approval in Section 6 of the bill state "approval" as provided in sections 24, 25, 26. He stated it would help the industry in having conformity and stated that the seal of approval which would be placed on the buildings or structures should be under the Department of Commerce. Lingenfelter stated that there were so many problems created by various codes of the counties and cities and the fact that inferior housing units were being dumped into Nevada, that he recommended a seal of approval be mandatory so that no small politicians who have a difficult time of enforcing zoning, building codes when there are no specific ones in small places, would not have this difficult job. Capurro stated he had no objections to having this bill placed under the jurisdiction of the Department of Commerce rather than Health and Welfare. Dini explained there are three classes of housing included in this bill - modular, mobile, and factory-built which are brought in in sections. Lingenfelter brought out that the lax laws governing this type of housing has caused fire hazards. Hilbrecht stated he thought that the building inspectors in the city and county should do the inspecting as they have the personnel and equipment.

This would avoid the Department of Commerce from setting up a building department. Capurro stated they did not wish the bill to take any authority away from the local agencies but establish a minimum criteria governing factory-built housing state-wide. Mr. Midmore agreed that they just want uniformity in this type of housing. They didn't want different sets of criteria for various parts of the state. Bill Adams, Assistant City Manager of Las Vegas, presented the Uniform Building Code which the southern part of the state has adopted and suggested that the whole state be under this. He stated that with the seal of approval on this type of housing, the local inspectors could take care of the matter of inspecting if needed, but it should be state-wide under the Department of Commerce. Otto Mac Farland, Chief of Fire Prevention Bureau, appeared and concurred that the adoption of the Uniform Building Code, the seal of approval, local authorities doing any inspection needed, and being standardized as under the Department of Commerce would make this type of housing conform in all the state. Dick Bass, State Fire Marshal, stated they needed quality control and this would be provided by the seal on the housing which would be built according to the Uniform Building Code. He stated there has been 20 fires caused by faulty wiring in trailers and this hazard could be alleviated by adoption of this bill. Dr. White of the Department of Commerce concurred that it should be under the executive arm of the state but inspections could be made at the local level. Lingenfelter brought out that the adoption of the Uniform Building Code would eliminate all the differentials in the various county and city building, electrical and plumbing codes. McKissick appointed a sub-committee to work on this bill consisting of Capurro, Lingenfelter, Hilbrecht, Joe Midmore, Dr. White, and the Las Vegas delegation to work out the amendments to this bill.

AB-767 - Requires public utilities to pay market-responsive rate of interest on deposits required of consumers

Assemblyman Bryan appeared on this bill and proposed that it be amended in line 7 to delete 2 to "1", and another amendment to clarify the method whereby the rate would be computed by formula. This bill would repeal NRS 704.670 which fixes the interest at 5%. This bill would have it at the prime interest plus 1. Wallie Warren and Noel Clark, Public Service Commission, stated that the current interest rate is too low and should be as stated by Bryan. Clark Guild concurred.

AB-695 - Prohibits retail sales at less than cost plus 5 per cent.

Pete Kelley, Nevada Retail Association, opposed this bill. He stated he thought it would prevent competition and was anti-consumer as it would prevent consumers from buying better products at lower prices. He also asked what would happen to a merchant who had purchased merchandise for sale and had it in stock and another merchant could now purchase this merchandise for retail at a lower price. Dr. White concurred that it is strongly anti-competitive. He stated that sometimes a 1% markup was exorbitant and a 100% markup fair. Dini stated this bill had been asked by merchants who were in small cities who were having to compete with discount houses such as they have in Reno. Tim O'Connell, Greater Las Vegas Chamber of Commerce gave the following reasons for opposition:

"The Greater Las Vegas Chamber of Commerce and its Merchants Bureau wholeheartedly oppose AB-695 - just as we opposed similar legislation in the 1967 and 1969 sessions of this legislature.

AB-695 is an A-1 example of eliminating competition and in this era of consumer protection, the passage of AB-695 would be a blow to any such consumer legislation enacted on the national, state or local level.

In today's retail revolution, the businessmen must sharpen his pencil to sell his merchandise at the lowest possible price and still remain competitive. AB-695 would put another noose around his neck.

I might add that to the best of my knowledge, the opponents of such restrictive legislation as AB-695 are still in business."

AB-696 - Prohibits "referral selling".

Lingenfelter stated this would prevent selling of any insurance.

AB-724 - Regulates door-to-door solicitations and sales.

MOTION BY LINGENFELTER TO INDEFINITELY POSTPONE AB-724, SECONDED BY ASHWORTH. MOTION CARRIED WITH ASHWORTH, LINGENFELTER, HAFEN, POGGIONE, AND CAPPURO VOTING FOR, HILBRECHT, BRANCH AND HILBRECHT AGAINST.

AB-558 - Permits consumers to avoid purchases from door-to-door salesmen. Poggione proposed that the amount be changed from \$50 to \$25. He stated this was for consumer protection. Capurro asked if this would include insurance and was told it was not a tangible asset - and was a contract. Dr. White spoke in favor of this bill. Hafen stated that the merchandise should be returned to the seller within 3 days and it was decided to amend this bill stating merchandise should be returned within 3 days with reasonable "wear and tear". MOTION BY HILBRECHT TO AMEND AND DO PASS AB-558, SECONDED BY BRANCH AND CARRIED.

AB-695 - Prohibits retail sales at less than cost plus 5 per cent.

MOTION BY LINGENFELTER TO INDEFINITELY POSTPONE AB-695, SECONDED BY ASHWORTH. MOTION CARRIED WITH LINGENFELTER, ASHWORTH, MCKISSICK, BRANCH, AND HAFEN; CAPURRO, DINI AND POGGIONE DISSENTED.

AB-696 - Prohibits "referral selling".

MOTION BY LINGENFELTER FOR A DO PASS ON AB-696, SECONDED BY HAFEN. MOTION AMENDED BY DINI FOR AN INDEFINITELY POSTPONE, SECONDED BY POGGIONE. MOTION CARRIED WITH ASHWORTH, MCKISSICK, POGGIONE, DINI AND CAPURRO VOTING FOR AND HILBRECHT, ASHWORTH, BRANCH, HAFEN DISSENTING.

Meeting adjourned 12:10 p.m.

- AB-32 Permits private carriers to write industrial insurance.
- AB-73 Raises maximum amount of group term life insurance which may be carried on a person.
- AB-103 Prohibits certain sharp practices by automobile mechanics.
- AB-171 Requires meat advertisements to indicate USDA grade.
- AB-250 Requires issuance of local gaming, intoxicating liquor licenses if state gaming license is issued; preserves "local option" and zoning powers.
- AB-294 Exempts certain activity for retrieval of property from public utility and motor carrier regulation.
- AB-358 Regulates practices of automotive repair dealers and declares certain practices fraudulent.
- AB-362 Enacts land sale law.
- AB-363 Removes gaming licensing power from cities and counties.
- AB-377 Prohibits exclusion of renter pilots and their passengers from insurance coverage.
- AB-454 Excepts certain land developments from subdivision restraints.
- AB-460 Adopts Land Sales Practices Act.
- AB-584 Removes maximum limit for compensation under Nevada Industrial Insurance for permanent total disability.
- AB-612 Prohibits slot machine manufacturers from selling such machines at price lower than price offered by distributor.
- AB-639 Provides fire prevention standards in motion picture theaters having seating capacity of 10 or more persons.
- AB-689 Imposes license fee on execution of any sale in State of Nevada of out-of-state real property.
- AB-719 Provides that contents of county gaming licenses be specified by county ordinance.
- AB-732 Establishes Nevada Factory-Built Housing Law.
- AB-733 Creates position of Nevada industrial commission ombudsman.
- AB-749 Creates position of Nevada industrial insurance hearing officer and provides for appeals

COMMERCE COMMITTEE - SENATE BILLS STILL IN COMMITTEE - April 1, 1971

- SB-35 Eliminates acreage exclusion from definition of "subdivision"
- SB-55 Amends law relating to licensing and control of private investigators, private patrolmen, process servers, polygraph operators and repossessors.
- SB-56 Revises license application and qualification requirements for private investigators, private patrolmen, process servers, polygraph operators and repossessors.
- SB-90 Proposes various amendments to law concerning licensing, control of corporate gaming.
- SB-91 Changes organizational structure, operational procedures of state gaming control board and Nevada gaming commission.
- SB-231 Clarifies real estate broker and salesman license requirements affecting any claim to finder's fees.
- SB-363 Clarifies provisions relating to fees and annual statements of foreign corporations
- SB-432 Places minimum limit on amount of indemnity payable under credit accident and health insurance
- SB-454 Removes limitation on levy of assessments for public service commission regulatory fund.
- SB-534 Requires revocation of license of gaming licensee upon second violation of provision of chapter 465 of NRS.
- SB-592 Permits state savings and loan associations to include in association's capital senior capital notes of Federal Savings and Loan Insurance Corporation.

ASSEMBLY

AGENDA FOR COMMITTEE ON COMMERCE

Date 4/2/71

Time 10:30 a.m.

Room 214

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Bills or Resolutions to be considered

Subject

Counsel requested*

IN LIEU OF

✓ AB-416

Consider amendments and Joint Meeting with Senate re Dental Amendments

✓ SB-454

Removes limitation on levy of assessments for Public Service Commission regulatory fund; 1970-71 levy of assessments for such fund

✓ SB-363

Clarifies Provisions Relating to Fees and Annual Statements of Foreign Corporations

✓ SB-55

SB 56 }

Amends law relating to licensing and control of private investigators, private patrolmen, process servers, polygraph operators, and repossessors

✓ SB-90

Proposes various amendments to law concerning licensing, control of corporate gaming

✓ SB-91

Changes organizational structure, operational procedures of State Gaming Control Board and Nevada Gaming Commission

✓ AB-719

Provides that contents of county gaming licenses be specified by county ordinance

✓ SB-534

Requires revocation of license of gaming licensee upon second violation of provision of chapter 465 of NRS.

SB 610

*Please do not ask for counsel unless necessary.

HEARINGS PENDING

Date _____ Time _____ Room _____
Subject _____

Date _____ Time _____ Room _____
Subject _____

ASSEMBLY

AGENDA FOR COMMITTEE ON COMMERCE

Date 3/31 Time 10:30 a.m. Room 214

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<u>Bills or Resolutions to be considered</u>	<u>IN LIEU OF PREVIOUS AGENDA</u> <u>Subject</u>	<u>Counsel requested*</u>
AB-682	Provides for reports and payment of license fees to Nevada Athletic Association.	
AB-695	Prohibits retail sales at less than cost plus 5 percent	
AB-696	Prohibits "referral selling"	
AB-724	Regulates door-to-door solicitations and sales	
AB-732	Establishes Nevada Factory-Built Housing Law	
AB-767	Requires public utilities to pay market-responsive rate of interest on deposits required of consumers	

*Please do not ask for counsel unless necessary.

HEARINGS PENDING

Date _____ Time _____ Room _____
Subject _____

Date _____ Time _____ Room _____
Subject _____

ASSEMBLY

AGENDA FOR COMMITTEE ON COMMERCE

Date 4/2/71

Time 10:30 a.m.

Room 214

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Bills or Resolutions
to be considered

Subject

Counsel
requested*

SB-454

Removes limitation on levy of assessments
for public service commission regulatory
fund; 1970-71 levy of assessments for such fund

SB-363

Clarifies provisions relating to fees
and annual statements of foreign corporations

SB-55

Amends law relating to licensing and
control of private investigators, private
patrolmen, process servers, polygraph operators,
and repossessioners

SB-91

Changes organizational structure, operational
procedures of State Gaming Control Board and
Nevada Gaming Commission

AB-719

Provides that contents of county gaming
licenses be specified by county ordinance

*Please do not ask for counsel unless necessary.

HEARINGS PENDING

Date _____ Time _____ Room _____
Subject _____

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Subject _____