

Senate

COMMITTEE ON FEDERAL, STATE AND LOCAL GOVERNMENTS

Minutes of Meeting -- March 29, 1971

The thirtieth meeting of the Committee on Federal, State and Local Governments was held on the 29th day of March, 1971.

Committee members present:	James I. Gibson
	Coe Swobe
	Stan Drakulich
	Chic Hecht
	Warren L. Monroe
	Carl F. Dodge
	Lee Walker

Also present were:

Bob Lloyd, Department of Education
 Jim Wittenberg, State Personnel Department
 Bob Gagnier, Nevada State Employment Association
 John Bawden, State Highway Engineer
 Howard Hill, Department of Motor Vehicles
 David Hagen, Boise Cascade
 Guild Gray, Burrows, Smith & Co.
 Nick Smith, Burrows, Smith & Co.
 Paul Argeres, President, Reno Board of Realtors
 Carrol T. Nevin, Crime Commission
 John Peevers, Crime Commission
 William Beko, D.A. of Nye County
 Sheriff Robert Galli, Washoe County
 John Perry, Narcotics Division
 Ray Gubser, Chief Deputy, Clark County Sheriff's Office
 Bob List, Attorney General
 James Thompson, Deputy Attorney General
 I. Parke Syers, Plumbing, Las Vegas
 Charles Englert, President of Plumbers Association
 Lee Burnham, Department of Employment Security
 Jim Parrott, Manager, Clark County Sanitation District
 Russ McDonald, Legislative Counsel Bureau
 Hal Smith, Assemblyman
 Ken O'Connell, Las Vegas Chamber of Commerce
 Curt Blyth, Nevada Municipal Association
 Joe Midmore, Builder's Association

Dr. William White, Department of Commerce
 Chuck Steele, State Planning Board
 John Meder, Carson City Board of Supervisors
 Cliff Young, Senator
 Leonard Anker, Department of Agriculture
 Clair Christensen, University of Nevada
 Press representatives.

Chairman Gibson called the meeting to order at 3:00 P.M.
 Several bills were before the committee for consideration.

SB-593 Assigns additional duties to chief of personnel
 division.

Mr. Wittenberg, who is acting head of the State Personnel Department, stated that this proposal had not originated with their department and that he saw no need for it. Mr. John Bawden of the State Highway Department; Mr. Bob Gagnier, Nevada State Employees Association; Mr. Bob Lloyd, Department of Education; Mr. Howard Hill, Department of Motor Vehicles; and Mr. Lee Burnham, Department of Employment Security, all voiced their opposition to this bill. Chairman Gibson noted for the record that he had received communications from Mr. Ed Pine of the University of Nevada, and Warden Hocker at the Nevada State Prison, as also being opposed to this bill.

AB-669 Broadens authority of Crime Commission.

Mr. Carrol T. Nevin, Director of the Crime Commission, testified that this legislation had been requested by a majority of the law enforcement agencies in the State of Nevada, and the law enforcement officers in the state, including all segments of the criminal justice system, who all agree that this should be done. In reply to questioning from Chairman Gibson, Mr. Nevin said that there is not presently sufficient money in the budget for this, but there would be some additional funds available under the federal ombudsman crime bill.

The committee also heard testimony in support of AB-669 from Mr. John Peevers, planning specialist with the Crime Commission; Mr. William Beko, Chairman of the Crime Commission, Sheriff Galli, Washoe County; John Perry, Narcotics Division; Mr. Ray Gubser, Clark County Sheriff's Department; and Mr. Robert List, Attorney, General. Mr. List emphasized that this proposal was the outgrowth of a tremendous amount of work on the part of a lot of people, and that it actually utilizes two divisions already functioning and enlarges the scope of a third division.

Chairman Gibson noted that this proposal would have to be re-referred to the Senate Finance Committee.

AB-333 Authorizes Clark County Sanitation District No. 1 to improve, equip its sanitary sewer system and to issue general obligation bonds, other general obligation securities for such project not exceeding \$6,500,000.

Mr. Jim Parrott, Manager of the Clark County Sanitation District, stated that he wanted to impress upon the committee the great need they have in Clark County for this expansion of their sewer system. If this is approved, it will take about two years for the completion and operation of the facilities, and by that time the situation will have magnified considerably.

Mr. McDonald of the Legislative Counsel Bureau said that the committee has complete authority to enact this without the vote of the people and if they passed it as it is presently written, would not require the approval of the bond commission.

Mr. Hal Smith, Assemblyman, testified that there was an extreme need for this, and for that reason, as well as others, their committee had approved this bill. Mr. Guild Gray and Mr. Nick Smith of Burrows, Smith & Co. both spoke in support of AB-333.

AB-290 Authorizes Town of Carlin to improve, equip its sanitary sewer system and to issue general obligation bonds, other general obligation securities for such project not a certain amount.

Mr. McDonald noted that there is a parallel between AB-290 and AB-333. He explained that in 1967 the town commissioners of Carlin enacted an ordinance which imposed sewer fees on the present system and on the users, and from that time until now they have accumulated about \$30,000 to pay for the service of which they have expended \$13,000 for engineering services on a plant site. The impetus for this came directly from the environmental bureau as any excess sewage is pumped into the Humboldt River.

AB-385 Adopts Uniform Plumbing Code; allows local governments to adopt such code with modifications.

Mr. Smith testified in support of AB-385. He stated that it is difficult to stock all the supplies that are necessary

(as a merchant) to comply with the codes under the various entities that have building inspection authority. This would be an advisory board which would help to bring about uniformity and would be "advisory" only in nature. It would also work as a safeguard as new materials are brought into the plumbing area.

Chairman Gibson noted that he had telephone calls from several people who are in the plumbing business and they have all supported this bill.

Mr. Syers, Executive Director of the PHCC and Mr. Englert, President of the State Association of Plumbers both spoke in support of AB-385.

SB-595 Enacts law regulating land sales.

Mr. David Hagen, Boise, Cascade, pointed out that SB-595 is word-for-word the same as AB-782. Basically the purpose of the bill is to require that in cases where subdivision land (subdivision is defined as containing more than 50 parcels) is going to be sold in Nevada, irregardless of where it is or whether it is improved or unimproved, it will be necessary to register with the Department of Commerce in the State of Nevada and provide certain information concerning the land. This would follow the requirement of the Interstate Land Sales Full Disclosure Act.

Dr. White, head of the State Department of Commerce, recommended an amendment to Section 14, line 9, page 3, with language to the effect that "when an administrator has sufficient cause he may with the concurrence of the real estate advisory commission suspend the exemption provided in this chapter." He recommended the passage of this legislation, with the addition of the above amendment.

Mr. Paul Argeres, President of the Reno Board of Realtors, submitted a copy of a "Resolution" from the Las Vegas Chamber of Commerce and a copy of a letter from the State of California, Department of Real Estate, both of which are attached hereto. He emphasized that this state is gaining a bad reputation in this field due to the large corporations that are coming in here to sell land outside of the state and using unfair methods of advertising to accomplish their ends. They try to sell land both to the residents and the tourists that come here for other purposes. Mr. Argeres strongly urged that we pass this type of legislation.

AB-668 Permits local governments to amend budgets.

Mr. Blyth explained that this will allow the local governments to amend their budgets to take into consideration increases of revenue and to take care of the changes which the legislature has required them to do.

SB-604 Provides for establishing administrative, planning, and development districts and makes appropriations for assistance to such districts.

Mr. Steele of the State Planning Board explained that this bill basically does three things: (1) empowers the governor to issue an executive order establishing uniform administrative districts throughout the state; (2) encourages an approach to local governments in forming regional organizations within these districts; and (3) provides a minimal funding level from state government to local governments for the planning and development activities that will be performed by such regional organizations. Mr. Bluth of the Nevada Municipal Association; Mr. John Meder, Carson City Board of Supervisors; Mr. Leonard Anker, of the Department of Agriculture; and Mr. Clair Christensen, community development specialist from the University, all spoke in support of SB-604.

AB-175 Authorizes certain county fair and recreation boards to expend "surplus" revenues; removes limitation on boards' power; provides salary for members of certain boards.

Senator Swobe moved "Do Pass," seconded by Senator Drakulich. The motion carried.

AB-678 Grants general improvement district power to furnish fencing facilities.

Chairman Gibson explained that this expands the 318 districts to include a district for fencing which is a problem in some areas.

Senator Swobe moved "Do Pass," seconded by Senator Drakulich. The motion carried.

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The committee then took action as follows:

SB-593 Senator Hecht moved that we "wait for further information," seconded by Senator Drakulich. The motion carried.

AB-669 Senator Hecht moved to "send bill to Senate Finance," seconded by Senator Swobe. The motion carried.

AB-290 Senator Swobe moved "Do Pass," seconded by Senator Hecht. The motion carried.

AB-333 Senator Hecht moved "Do Pass," seconded by Senator Swobe. The motion carried.

AB-385 Senator Hecht moved "Do Pass," seconded by Senator Swobe. The motion carried.

SB-595 The committee will wait for the Assembly bill before they take action on this.

AB-668 Senator Drakulich moved "Do Pass," seconded by Senator Swobe. The motion carried.

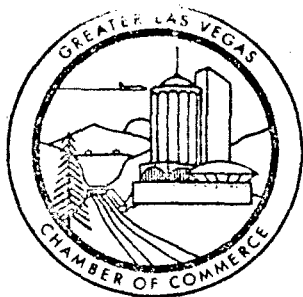
SB-604 Senator Drakulich moved to "send bill to Senate Finance," seconded by Senator Swobe. The motion carried.

There being no further business, the meeting adjourned.

Respectfully submitted,

Mary Jean Fondi,
Committee Secretary

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KEN O'CONNELL
Executive Vice President

March 10, 1971

RESOLUTION

WHEREAS the Greater Las Vegas Chamber of Commerce is charged with the responsibility of promoting, publicizing and protecting the major industry of Southern Nevada, the Tourism-Convention Industry, we are equally concerned with the preservation of the best possible image for the entire State of Nevada, which is for the most part very dependent on tourism.

Our Chamber is therefore greatly alarmed at the ever-increasing amount of complaints received from Las Vegas visitors via letters, telephone calls and office visits, as to their disappointment and dissatisfaction in dealings with various gimmicks, vacation certificates and other so-called promotional aids. Such gimmicks and other devices to lure the visitor to Las Vegas for the purpose of attending presentations by numerous land sales companies are the main source of such complaints received by our Chamber.

The Greater Las Vegas Chamber of Commerce likewise receives many complaints from visiting guests as to their continuous harassment by so-called "unit producers", "up suppliers" and "body movers" while such guests are attempting to enjoy their vacation here. A majority of these guests thoroughly resent such harassment and are in fact not interested in accepting such gimmicks and "come-ons" tied in with land sales presentations.

Our Chamber believes that this type of coercion and harassment, resulting in visitor complaints as outlined herein, can only cause irreparable damage to the best image of tourism. And from all indications other areas of the State of Nevada are experiencing the same type of promotional lures and harassment of their visiting guests, further contributing to the damage of the State's tourism image, now

THEREFORE BE IT RESOLVED that the Greater Las Vegas Chamber of Commerce makes the following recommendations to the Senate and Assembly Commerce Committees of the Nevada State Legislature:

That provisions be made by state statute to license and regulate land sales operations throughout the State of Nevada.

That such state statute likewise provide for the licensing and regulation of the "unit producer", "body movers" and "up suppliers" who supply leads for such land sales operations.

That the statute define the state agency to which complaints can be directed and which would be charged with the enforcement of such licensing and regulatory provisions.

GREATER LAS VEGAS CHAMBER OF COMMERCE

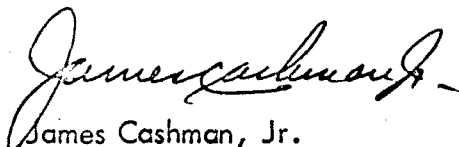
2000 ST SAHARA AVENUE / TELEPHONE (702) 737-4664 / LAS VEGAS, NEVADA 89105

That funding be built-in such a state statute, providing for the expenses of enforcing the provisions of the statute.

That a portion of the revenue derived from such licensing be reverted to the Counties wherein such land sales operators and unit producers operate.

The Greater Las Vegas Chamber of Commerce, taking into consideration the preservation of the invaluable tourism image throughout the State of Nevada, attaches major priority to the need for the legislation proposed by this resolution. It is our sincere request that the current session of the Nevada State Legislature will assign the same priority to the passage of such legislation.

FOR THE BOARD OF DIRECTORS:



James Cashman, Jr.
President

Greater
Reno
Chamber
of Commerce

TO:

SUBJECT: Land Sales Promotion

At the regular Board of Directors meeting of the Greater Reno Chamber of Commerce, Tuesday, March 9, 1971, the Board unanimously passed a resolution expressing the need for the Legislature to pass a bill to regulate (1) the sales methods of out of state land sale promoters. The Board is particularly concerned with the misrepresentation of the vacation certificates being sold throughout the country to entice visitors to Nevada without advance knowledge that they must attend high pressure land sales meetings; (2) that the land salesmen must be licensed to sell real estate in the state of Nevada; (3) and that out of state land not be misrepresented to the purchaser.

These unethical practices are working a negative image to the reputation of the State of Nevada, and it is hopeful that the Legislature will approve this legislation for the protection of our visitors and local citizens.

By: B. J. Dasher

Benedict J. Dasher
President

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March 2, 1971

Mapes Hotel
Reno, Nevada 89500

Gentlemen:

Did you ever feel like you got took? Well I had that feeling a couple of weeks ago while I was in the Mapes Hotel.

It seems that the CAG-ARIZONA is offering a champagne brunch in the Coach Room, plus two drinks, tax and tip included.

While staying at the Golden Door Motel in amidst of all the free handouts was included this beautiful invitation to the above brunch.

On Monday, February 15, 1971 at 10:30 A.M. my wife and I and another couple who were guests of mine stopped in the Mapes Hotel to accept this offer. We were told that the 11 A.M. get together would have to wait until 1 P.M. as they were already booked. I couldn't help but wonder at that time what this was all about, so I asked and was told that the hospitality room would be full, so I accepted that and we proceeded to gamble and have a few drinks awaiting one o'clock.

At one o'clock we were all taken upstairs to the Presidents Room still wondering why all the formality and low and behold after being herded into your room and the door locked behind us and being split up with our friends and a salesman sitting at our table, proceeded to sit there, hear someone talk for a half hour, shown a film and then the salesman tried to hard sell me into purchasing property in Arizona. At 1:45 P.M. I was able to leave the room and was handed the enclosed slip entitling us to a brunch and two drinks (I guess we had paid the price). We then proceeded to the Coach Room exhausted, tired and really looking forward to our brunch and would you believe that we were advised that they were just closing and we would have to return the next day.

Needless to say the four of us at that time walked out of your hotel vowing never to return. Certainly I needn't take the time to write this letter, but was wondering if you are aware of what is going on in your hotel. I have the occasion to fly to Reno many times a year as I imagine so many people do from California and I am trying to be realistic about the entire situation that happened to us and I am convinced that 99% of the people would feel as we do, and that is, we got took and it really does prove a point to me, the old adage, you pay for what you get.

Sincerely,

H. E. "Skip" Graham

OFFICE OF THE COMMISSIONER

DEPARTMENT OF REAL ESTATE

714 P Street
Sacramento, Ca. 95814BURTON E. SMITH
Commissioner

15 March 1971

Mr. Bob Bowers
230 E. Liberty Street
Reno, Nevada 89501Re: Real Estate Broker Responsibilities and California's
Subdivision Laws

Dear Mr. Bowers:

As you may know, California has had subdivision legislation for many years. In-state subdividers must show that they have made adequate financial arrangements for on-site and off-site improvements, recreational facilities, and the like. Their application leads up to the issuance of a public report which must be given to every prospective purchaser.

Out-of-state subdividers must submit to the fair, just and equitable test before a subdivision public report or permit is issued.

Subdividers within the State who are selling recreationally oriented rural lands (often the most highly promotional type of offerings) must submit to certain additional regulations.

A copy of the Land Projects Law (relating to recreational or rural lands) is attached. This law has been effective for just a little over one year and has been useful in the area of consumer protection.

I am also attaching a copy of S.B. 253, which was signed into law by Governor Reagan several years ago. This provides for mandatory educational requirements at the college level for real estate broker applicants. It is the first step toward genuine professionalization of the real estate business in California.

X
Everyone who deals as an agent in real property matters in California must be licensed. There is no exemption for employees of subdividers or of corporate entities. We feel that if there were such an exemption it would lead to substantial abuses. Since the entrance level to the real estate business is based upon establishing that one is honest, truthful and of good reputation and on passing an examination to show that the applicant meets

Mr. Bob Bowers

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15 March 1971

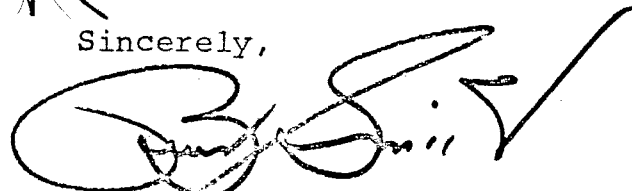
the minimum requirements for competency -- we see no reason why every agent should not be required to be licensed. The employer, the real estate broker, must meet higher tests of competency and knowledge.

X
Until a half dozen years ago California did provide by statute for a temporary or limited license. This provided that one could obtain a license by passing the most minimal type of examination. The license was good for only 120 days. It was found by experience that this sort of temporary licensing was not in the public interest and was utilized, primarily, by the most highly promotional type of real estate brokers and subdividers as a means to provide them with quick contact sales personnel. A few of these people went on to obtain permanent licensure. The Legislature did away with this type of license, as I say, about a half dozen years ago.

Dealings in real property are often the most significant capital investment of the average individual's lifetime. We feel it is of considerable importance to the citizenry of this State that they are protected from the possible loss of their lifesavings at least through the protections of reasonable assurances through a subdivision law that they will get that for which they have bargained, and reasonable assurances through a license law that they will be treated fairly and in an atmosphere of reasonable competency.

X
I feel that it would be beneficial to both our states if this attitude were to be universally expressed through the Legislatures of all states, due to the mobility of the citizenry, today.

Sincerely,



Burton E. Smith
Commissioner

cc: Don McNelley