

MINUTES

COMMITTEE: COMMERCE

DATE: Wednesday, March 14, 1973

MEMBERS PRESENT: Chairman Prince, Dr. Robinson, Messrs Demers, Torvinen, Capurro, Wittenberg, Bickerstaff, Hafen, Dini

MEMBERS ABSENT: None

GUESTS:	<u>Name</u>	<u>Representing</u>
	George Angell	Household Finance Co.
	P. B. Holden	Washoe Co. D.A.'s Office
	Dorothy Holden	Medical Association
	David R. Hoy	Nev. State Bankers Assn.
	Frank Fahrenkopf	Consumer Finance Industry
	Darrell Dreyer	Assemblyman
	Virgil Anderson	AAA
	W. K. Johnson	AIC
	Richard Wright	Calif. Loan & Finance Assn
	Lloyd Boyd	Avco Finance Services
	George L. Vargas	9 major oil companies
	Pete Kelley	Nev. Retail Assn.
	Marilyn Skender	--
	K. Ricks	UNR - School of Home Economics
	Mike Melner	Dept of Commerce
	Preston E. Tidvall	" " - banking
	D. A. Horner	FNB - Reno

The meeting was called to order by Chairman Prince at 4:00 p.m. He called upon Mr. Dreyer to discuss AB 354, a bill enacting a consumer's code. It was his suggestion that the Committee listen to the testimony, study the Uniform Consumer Credit Code and then call for an interim Legislative study of the Code to be reported to the next session of the Legislature. He introduced Mr. Wendell Johnston, Mr. Richard Wright and Mr. Frank Fahrenkopf. Mr. Fahrenkopf, representing the small loan companies gave a brief resume of the history of the Uniform Consumer Credit Code which was finally completed after many public hearings in 1968. There have been many revisions in the Code since then and Utah and Oklahoma were the first states to adopt the code and California has set hearings on it for May. AB 354, which is based on the California bill, is a form of the Uniform Consumer Credit Code and the provisions in it must be adopted to Nevada law covering Nevada problems. Questions such as how is the Code administered and what will it cost were brought out. The Utah Administrator,

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in a letter to Mr. Fahrenkopf, stated that the Code was self-supporting. The Oklahoma Administrator stated the same fact. Mr. Fahrenkopf stated that he is in favor of the Code, but not AB 354 until it is in line with Nevada statutes.

To Mr. Demer's question concerning fees to be charged under the Code, Mr. Wendell Johnson, Chairman of the California Study Committee, stated that the \$10.00 fee provided for in the Code is paid by both regulated and supervised lenders. Auto dealers would be in the regulated category and small loan companies such as Sears and Weinstocks would be in the supervised category. Those in the supervised category would be subject to examination by the Commerce Department, Banking Division and would pay an additional fee for examination.

Mr. Dreyer against suggested that the Committee take no action on the bill, but introduce a Committee Resolution that an interim study be made by the Legislature. Mr. Torvinen moved that the Committee request a concurrent resolution\* asking the Legislative Committee to study the Uniform Commercial Credit Code and report to the next regular session of the Legislature. Mr. Demers seconded the motion and it was unanimously passed.

Chairman Prince announced that this concluded the hearing on AB 354. He asked Mr. Torvinen to discuss AB 440 regarding the release of bank records. Mr. Torvinen stated that this bill is not controversial; that it came out of California law and that it is just a good law and order bill. Banks would only release records to law enforcement agencies after a complaint has been filed. This would prevent such things as the IRS' "fishing expeditions", but cases for bad checks cannot be made without these bank records after a complaint has been filed.

Mr. Bickerstaff moved a "do pass" on the bill; Mr. Wittenberg seconded the motion. The motion was unanimously passed.

Regarding AB 282, the cosmetology bill, Mr. Hafen suggested that the Committee consider SB 421. Chairman Prince stated that he had requests for deleting all of the bill but Section 1 which covers those eligible for licensing and the composition of the Cosmetology Board. Mr. Demers moved an indefinite postponement of AB 282. Mr. Capurro seconded the motion and the Committee passed it unanimously.

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Chairman Prince announced that Mr. Glover has asked the Committee to consider AB 334 which would enable the Nevada Heritage Association to restore and operate the V & T Railroad. Mr. Dini suggested that the Committee investigate the make-up and activities of the Heritage Association before doing anything on this bill. The Chairman stated that a hearing on the bill would be posted and all directors invited to attend.

After considerable debate regarding employment agency fees provided for in AB 340 and other amendments, Mr. Wittenberg moved the passage of this bill with amendments to include an agency fee of 40%. Mr. Demers seconded the bill. Voting "aye" were Messrs Wittenberg and Demers. The motion failed. Mr. Bickerstaff then moved that the bill be passed with amendments including a 30% fee to the employment agency. Mr. Torvinen seconded the motion. Voting "aye" were Messrs. Bickerstaff, Torvinen, Prince, and Capurro; voting "nay" were Messrs Hafen, Wittenberg and Demers. The motion was passed.

Regarding AB 131, the "bottle bill", Chairman Prince stated that he had been informed by the industry that within two or three months they would be marketing a beverage can that would take care of the problems AB 131 hoped to solve. Mr. Wittenberg moved that the bill be passed deleting everything but "cans with 'pop tops'", page 2, section 16, lines 39-42. The motion failed for lack of a second. Mr. Capurro moved to indefinitely postpone the bill. Dr. Robinson seconded the motion. The motion was passed with Mr. Demers voting "nay".

Mr. Demers moved for a bill request removing "pop top" beverage cans from the market effective July, 1974. Mr. Capurro seconded the motion. Voting "aye" were Messrs Dini, Prince, Wittenberg, Capurro, Bickerstaff, Demers, and Torvinen. Voting "nay" were Mr. Hafen and Dr. Robinson. The motion was passed.

Dr. Robinson discussed with the Committee amendments to AB 365 relating to the regulation of the practice of medicine. The amendments included prohibiting a physician from not signing for more than one physician's assistant at one time nor employing or supervising more than one at a time; & no physician's assistant may perform the services of a dentist, podiatrist or optometrist. Mr. Capurro moved that AB 365 be passed as amended. Mr. Wittenberg seconded the motion. The bill was unanimously passed.

Mr. Torvinen discussed at great length the advantages of AB 264 with proposed amendments; a bill enacting a plan

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of motor vehicle liability insurance. He stated: "This is the conservative way to go to see if the thing will work" and suggested that it could be tried for at least a couple of years.

Mr. Demers stated that he agrees with Mr. Torvinen and fears that "no fault" may be a "scam on the public". He suggested that the Committee look into the Saskatchewan plan.

Mr. Capurro stated that the Oregon plan is not a "scam"; that the present system is a "scam". He stated that AB 264 is a lawyer's bill; that AB 227 requires a 15% rate reduction; that since 40% of the drivers in Nevada are uninsured, the possibility of recovery in many accident cases is very low; that most people advocate "no fault" and that he doesn't want to see the insurance companies making a "killing".

Mr. Wittenberg stated that he has studied many "no fault" plans and that the DOT study was the most revealing, including that 8% of claims had no losses but still recovered \$412.00. He asked for Committee support of AB 227.

Mr. Demers moved to pass AB 264 with amendments. Mr. Torvinen seconded the motion. Those members voting "aye" were Messrs Demers, Torvinen and Bickerstaff. Voting "nay" were Dr. Robinson, Messrs Wittenberg, Capurro and Prince. The motion did not pass.

Mr. Capurro moved a "do pass" with amendments of AB 227. Mr. Wittenberg seconded the motion.

Mr. Torvinen moved to amend Mr. Capurro's motion to pass the bill with no recommendation. Mr. Demers seconded Mr. Torvinen's motion. Mr. Capurro objected.

After questions and comments on the bill and its amendments from Messrs Dini, Torvinen, and Bickerstaff and Dr. Robinson, Mr. Dini called for the question. Members voting "aye" were Messrs Torvinen, Demers and Bickerstaff. Members voting "nay" were Messrs Wittenberg, Capurro, Dini, Prince, Hafen and Dr. Robinson. The motion to amend Mr. Capurro's motion died for lack of a majority.

The vote was taken on Mr. Capurro's motion to pass AB 227 as amended. It was seconded by Mr. Wittenberg. Those members voting "aye" were Messrs Dini, Bickerstaff, Dr. Robinson, Messr Prince, Wittenberg, Capurro, and Hafen, and Demers. Mr. Torvinen voted "nay". The motion passed.

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Messrs Dini, Hafen, Demers and Dr. Robinson reserved the right to change their vote on the floor of the Assembly.

The meeting was adjourned at 6:00 p.m.

Respectfully submitted,

PHYLLIS BERKSON, Attache

AGENDA FOR COMMITTEE ON COMMERCE

Date Wed., March 14 Time 4:00 p.m. Room 222

<u>Bills or Resolutions to be considered</u>	<u>Subject</u>	<u>Counsel requested*</u>
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AB 354

Enacts Nevada Consumer Code

\*Please do not ask for counsel unless necessary.

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ASSEMBLY

AGENDA FOR COMMITTEE ON COMMERCE

Date Fri., March 16 Time 4:00 p Room 222

Bills or Resolutions  
to be considered

Subject

Counsel  
requested\*

AB 65	Prohibits motor vehicle repairmen from commencing a repair without establishing the cost of the repair and reaching an agreement with the motor vehicle owner;	
AB 296	Prohibits unauthorized motor vehicle repair and requires cost estimates and statements of charges;	
AB 88	Requires statement of fees for repairs or storage, authorization prior to towing for storage or repairing of a vehicle;	

\*Please do not ask for counsel unless necessary.

ASSEMBLY

AGENDA FOR COMMITTEE ON COMMERCE

Date \_\_\_\_\_ Time \_\_\_\_\_ Room \_\_\_\_\_

Bills or Resolutions  
to be considered

Subject

Counsel  
requested\*

THIS CANCELS THE AGENDA DATED FRIDAY, MARCH 16, 1973.

AB 65, 296, 88 WILL BE SCHEDULED AT A LATER DATE.