

MINUTES

COMMITTEE: COMMERCE

DATE: Friday, April 6, 1973

MEMBERS PRESENT: Messrs Prince, Capurro, Demers, Robinson, Wittenberg, Dini, Torvinen

MEMBERS ABSENT: Messrs Hafen and Bickerstaff

GUESTS: See attached list

Chairman Prince called the meeting to order at 4:15 p.m. Regarding AB 855, Mr. Wittenberg moved to indefinitely postpone the bill; Mr. Capurro seconded the motion. The motion was un-animously passed.

Mr. Demers discussed AB 892, stating that he is preparing amendments to the bill because as it is written, it would require State funding. His amendments would make the establishment of a motel authority by county option.

Mr. Lingenfelter discussed amendments to AB 889 and stated that Mr. Hafen is having the amendments prepared. Mr. also discussed amendments to AB 862, clarifying adequate egress and ingress; that Mack Fry was having these amendments prepared.

Mr. Dave Boyer of United Mortgage Co. discussed AB 906, amending page 1, line 15, Section 3 by adding: "to charge a fee for his services", page 8, line 7, "who does not charge a fee or cause to be paid a fee for any services other than the normal and scheduled rates for escrow, title insurance, and recording fees". He stated that the three companies he represents are agreeable to these amendments, but that 15 companies are effected by the amendment. Discussing this same bill, Mr. Tarkington, Commissioner of Savings and Loan, stated that there is a need for regulating mortgage companies in the State; that he is willing to take on the task but he is concerned with the necessary funding for the job; that he would need a good investigator and a secretary at an expenditure of about \$25,000; he felt that the application of the surety bond in the bill was not clear as it is written; does it cover officers and/or principals of mortgage companies for malpractice or does it protect the customers? He felt that most mortgage companies are in the conventional lending market; that under the provisions of this bill, mortgage companies approved by the FHA are exempt and some of them do no FHA business at all.

Mr. Dreyer discussed AB 785, stating that the regulation of motor vehicle repair shops should be on a national level; that the Department of Commerce of the State would have to do much checking to enforce the bill. Mr. Bob Guinn representing

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the Franchised Automobile Dealers stated that the same testimony he gave at the hearing on AB 296 would apply; that if the Committee was to give serious consideration to this bill he would like it amended as AB 296 making it more comprehensive. Mr. E. J. Silva of the Department of Motor Vehicles stated that he and his office is responsible for licensing of all vehicles, 200 licensed dealers and 2,000 salesmen; that "we can't keep up with the problems we have now". He stated that 3,000 firms would have to be licensed under this bill plus from 500 to 1,000 appraisers; that the Department could not handle the job without funding of \$150,000 for the biennium. He presently has only eight men in his office.

Mr. Vergiels discussed the problems he hoped would be alleviated by AB 756 regarding warranties on trailers. He said that California manufacturers say that the dealers in Nevada are responsible for the warranties and the Nevada dealers say that the various California manufacturers are responsible; that many trailer owners do not service their trailers as required by warranties and a new owner must pay the cost of repairs because the warranty is invalidated. He felt that better inspection of new trailers could help this problem. Mr. Dini stated that AB 944 presently in his committee of Government Affairs could correct this problem. Mr. Torvinen suggested a statute that would state that "express warranties benefit any owner for the life of the warranty." Most warranties follow the purchase, not the person; that consumer bills already passed should cover this, particularly AB 301, suggested Dr. Robinson. Mr. Vergiels suggested holding the bill and he would do some work on it.

Mr. Guinn stated that as it is presently drafted, the bill would apply to any new vehicle dealers getting into some very broad subjects, such as all the equipment on campers.

Regarding AB 538, Mr. Guinn stated that licensing auto repair mechanics is a very complicated procedure; that there is presently an aptitude test for mechanics; that the OEO has been instrumental in establishing this test; that he didn't think the cities would be interested in requiring this licensing.

Regarding AB 918 and 895, it was stated that these bills are already covered by the Uniform Building Code. Chairman Prince read a letter from Mr. Hancock, Chairman of the State Planning Board, who suggested that a simpler bill be written requiring conformity with the Uniform Building Code.

Mr. Demers introduced Mr. Myron Leavitt, Clark County County Commissioner.

Regarding SB 250, a bill regulating marriage counselors, Dr. Magruder stated that licensing fees would take care of any costs involved in this regulation and he explained the

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pre-requisites for a license. The bill also includes a "grandfather" clause for marriage counselors presently practicing. Mr. Capurro asked Dr. Magruder how many marriage counselors presently practice in Nevada. Dr. Magruder stated that there were thirty. Dr. Magruder's organization is non-profit and fees are based on a client's ability to pay and that the United Fund funds another marriage counseling office in Reno.

Mr. Wittenberg discussed AJR 43, authorizing the President and CAB to permit competitive air service between Las Vegas and Reno. Mr. Dini moved to pass the resolution, Mr. Demers seconded the motion. The motion was unanimously passed.

Regarding AB 865, Mr. Demers moved to pass the bill as amended, Mr. Capurro seconded the motion. Mr. Wittenberg voted "nay". The bill was passed.

AB 785: Dr. Robinson moved to indefinitely postpone; Mr. Wittenberg seconded. The motion was unanimously passed.

AB 756: Dr. Robinson moved to indefinitely postpone; Mr. Wittenberg seconded. The motion was unanimously passed.

AB 538: Mr. Capurro moved to indefinitely postpone; Mr. Wittenberg seconded. The motion was unanimously passed.

AB 889: Mr. Wittenberg moved to pass as amended. Mr. Capurro seconded the motion. The motion was unanimously passed.

AB 862: Mr. Capurro moved to pass as amended. Mr. Wittenberg seconded the motion. The motion was unanimously passed.

AB 906: Dr. Robinson moved to pass as amended. Mr. Wittenberg seconded the motion. The motion was unanimously passed.

SB 250: Mr. Wittenberg moved to pass. Mr. Dini seconded the motion. The motion was passed. Mr. Capurro voted "nay".

AB 882: The Committee agreed to hold this bill until Monday.

AB 918: Mr. Capurro moved to indefinitely postpone. Mr. Wittenberg seconded the motion. The motion was unanimously passed.

AB 895: Mr. Wittenberg moved to indefinitely postpone. Mr. Dini seconded the motion. The motion was unanimously passed.

AB 664: The Committee agreed to hold this bill.

Chairman Prince asked for Committee introduction of a bill regarding the NIC increasing rates to the employers from 2.7 to 3.2. The Committee unanimously agreed not to introduce the bill.

AB 946: Mr. Torvinen moved to pass the bill; Mr. Capurro seconded the motion. The motion was unanimously passed by Messrs Wittenberg, Capurro, Dini, Torvinen and Prince.

The meeting adjourned at 6:00 p.m.

Respectfully submitted,

PHYLLIS BERKSON, Attache

ASSEMBLY

AGENDA FOR COMMITTEE ON COMMERCE

Date Friday,  
April 6, 1973 Time 4:00 p.m. Room 222

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<u>Bills or Resolutions to be considered</u>	<u>Subject</u>	<u>Counsel requested*</u>
AB 855	Creates rate review board for health and care facilities.	
<del>AB 882</del>	Creates motel authority in certain counties to regulate motel room rates and other charges.	
AB 889	Regulates escrow agents.	
AB 906	Regulates mortgage companies.	
AB 785	Requires department of motor vehicles to regulate motor vehicle repair shops and damage appraisers.	
AB 756	Provides for transferability of vehicle warranties.	
AB 538	Authorizes incorporated cities to regulate automobile mechanics.	
AB 918	Requires use of safety glass in homes and businesses in Nevada.	
AB 895	Requires use of safety glass in homes and businesses in Nevada.	
SBB 250	Regulates marriage counselors.	

\*Please do not ask for counsel unless necessary.

