

MINUTES

COMMITTEE: COMMERCE

DATE: Monday, April 9, 1973

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

MEMBERS ABSENT: None

GUESTS: None

Chairman Prince called the meeting to order at 4:05 p.m. He stated that he had received some criticism on the Committee's action adopting AJR 43, a resolution memorializing the President and CAB to authorize competitive air service between Las Vegas and Reno, signed by 27 Assemblymen. Mr. Robinson stated that he thought the resolution was more serious than the Committee had thought and that the Governor was upset about the Committee's action. Mr. Prince introduced Mr. Noel Clark of the PSC who stated that the PSC hears all applications for any additional service between Las Vegas and Reno; that the President of the United States only has authority to veto funds for international flights and has no authority over this Resolution; that Air West has not had a rate increase in three years; that the fare between Reno and Portland is \$84, whereas the fare between Las Vegas and Reno is \$57 and both flights are the same length of time; that because of this economical fare, Air West is unable to offer its passengers any "frills" on its flights; that if more flights are authorized, fares would increase. Presently Air West has no subsidies, but they would be necessary if competitive flights were authorized. Mr. Clark emphatically stated that it was unlikely that the CAB would authorize more carriers because it would not be economically feasible. Fare increases of 25% would be likely and this would place an additional burden on the State.

Mr. Demers stated that legislators from Southern Nevada were unhappy with delays in flights both from Reno and Las Vegas though he felt this action was "kind of childish". He moved to reconsider the bill and Dr. Robinson seconded the motion. The bill failed for lack of a majority. Dr. Robinson stated that it could still be corrected on the floor of the Assembly.

Mr. Dreyer requested that the Committee introduce a bill repealing NRS 599(a).010 which would apply to both Clark and Washoe Counties enabling the State to police land "up" suppliers. Though the Legislature gave the counties this authority in 1971, they have not stopped these companies though they have been receiving funds from taxes imposed on each person brought into the State for the purpose of buying land. He stated there is presently a bill in the Senate, SB 259, giving Skip Hansen this

authority, but the Senate bill places too much pressure on the legisimate land companies. His bill will give the Real Estate Division the "teeth" necessary to enforce this measure. Revenue received from this tax will defray the costs of enforcement. Clark presently receives \$300,000 a quarter from \$5,000,000 in land sales. Mr. Capurro moved to introduce the bill, Mr. Hafen seconded the motion. The motion failed for lack of a majority.

Regarding SB 410 prohibiting advertising of obscene items and material, Mr. Demers moved that the bill be referred to the Judiciary Committee; Mr. Capurro seconded the motion. The motion was passed with Messrs Demers, Robinson, Bickerstaff, Capurro and Prince voting "aye"; Mr. Hafen voted "no".

Regarding SB 538, Mr. Wittenberg discussed the differences between this bill and AB 768. He stated the Senate bill requires a complete list of all services provided by funeral directors and the prices for all these services which would be very difficult since some mortuaries have over 100 caskets to choose from alone. Mr. Demers moved to indefinitely postpone SB 538 and Mr. Capurro seconded the motion. The motion was passed with Mr. Wittenberg abstaining.

Regarding AB 882 which gives the counties the option of establishing a motel authority to check on price gouging, Mr. Demers presented letters from outraged tourists and motel owners and stated that this would apply to motels with 80 rooms or less and would allow them rate fluctuation of 25% with the seasons and holiday week-ends. Mr. Demers moved to pass the resolution with amendments, Mr. Bickerstaff seconded the motion. The motion was unanimously passed.

Regarding AB 935, Mr. Bickerstaff explained that this bill would prohibit hazardous materials being shipped into the State such as poisonous toys; that it is recommended by the FDA. Mr. Robinson suggested that the Health Department be requested to appear before the Committee on Wednesday to discuss the merits of the bill. Chairman Prince instructed the secretary to call them.

Regarding AB 933, a Uniform Consumer Sales Practices Act, Mr. Hafen felt that since the Committee had not passed AB 301, this bill would not have any chance of passage. Mr. Wittenberg moved, Mr. Bickerstaff seconded an indefinite postponement of the bill. The motion was unanimously passed.

* Mr. Hafen asked the Committee to introduce a joint resolution regarding HR 5683 which sets up a revolving fund for the Rural Electrification Act asking that the bill be passed. He stated that this HR 5683 is likely to be passed by Congress over an earlier bill introduced by the Senate which the Committee resolved to be passed. Mr. Wittenberg moved that the Committee introduce the resolution and introduce it on the

floor with a "do pass" recommendation. Mr. Robinson seconded the motion. The motion was passed unanimously.

Mr. Robinson stated that he had taken amendments into the bill drafters' office on AB 906 today.

Mr. Capurro stated that he ordered amendments to AB 745.

Discussion was briefly held on AB 691 with Mr. Wittenberg, as a member of the sub-committee, asking the Committee their desires on this labor bill.

Regarding AB 664,* Mr. Capurro stated that the restrictions are not that difficult; that it would simply require an annual statement from the unions as to their investments made from their funds. Mr. Demers stated that he would talk to the Insurance Commissioner. The Committee generally agreed that this bill is important but also very complicated and that it is getting late in the session for any constructive legislation to be prepared and passed. Mr. Robinson suggested that the Insurance Commissioner be authorized to investigate any complaints received by his office from disgruntled union members relative to payments from the funds. Mr. Capurro suggested that the Insurance Commissioner conduct a two year study to report back to the next session of the Legislature. Mr. Torvinen corrected the language from "self-insured funds" to "private annuity funds". Chairman Prince instructed the secretary to draft a letter to the Insurance Commission informing him of the Committee's suggestions. Mr. Demers moved for Committee introduction of a concurrent resolution with a "do pass" recommendation directly to the floor. Mr. Wittenberg seconded the motion. The motion was unanimously passed. Chairman Prince instructed the secretary to direct a letter to Mr. McNeel, informing him of our action and thanking him for alerting the Committee to this situation.

Chairman Prince announced the agenda for the meeting Wednesday, March 11.

*Mr. Demers asked for Committee introduction of a resolution creating an historical district in Genoa which would control the zoning. Mr. Torvinen moved for introduction, Mr. Demers seconded the motion. The motion was unanimously passed.

Mr. Wittenberg moved for reconsideration of AB 865, allowing the deposit of public funds in savings and loans. Mr. Demers felt that savings and loans are safe depositories and pay more interest. Mr. Capurro stated that savings and loans cannot maintain the same interest rate for an extended period of time and that they are more competitive with interest rates. Mr. Demers felt that public funds would benefit appreciably from higher interest on short-term periods. Mr. Capurro suggested that another hearing be held with the proposed amend-

* see attached Exhibit "A" A.C.R. 61
* A.C.R. 49

ments and the banking industry as this has a large fiscal impact on them. Mr. Demers felt that the counties would be in a better bargaining position if they were allowed to deposit in savings and loans. Mr. Robinson disapproved of any further hearings as the bankers had notice of prior hearings and presented very poor testimony. Mr. Capurro seconded Mr. Wittenberg's motion. The Committee then determined that the bill was on the floor and could not be re-considered. Chairman Prince stated that Mr. Wittenberg's motion was out of order. The Committee agreed to let the bill go to the Senate to be settled.

The meeting adjourned at 5:45 p.m.

Respectfully submitted,

PHYLLIS BERKSON, Attache

Ex A



Nevada Legislature

ASSEMBLY

April 10, 1973

Mr. Dick Rottman, Insurance Commissioner
Commerce Department
State of Nevada
Carson City, Nevada 89701

Dear Mr. Rottman:

As Chairman of the Assembly Commerce Committee, I have been instructed to inform you that at a meeting yesterday, the Committee unanimously passed a motion to introduce on the floor of the Assembly a concurrent resolution authorizing your office, under the proposed provisions of AB 664 which would bring self-insurers within your jurisdiction, to: investigate any complaints received by your office arising from private annuity funds; and conduct a two-year study on the management and investment of these funds to report back with your recommendations and findings to the next regular session of the Legislature.

Hopefully copies of the resolution will be forthcoming and if you have any questions, please contact me.

Yours very truly,

R. M. Prince
ROSS PRINCE, Chairman
Assembly Commerce Committee

RP:pb
cc: Commerce Committee members;
Governor's Office;
Legislative Counsel Bureau;
Assemblyman McNeel