

SENATE COMMERCE AND LABOR COMMITTEE
MINUTES OF MEETING

THURSDAY, February 8, 1973

The meeting was called to order at 12:15 p.m.

Senator Drakulich in the Chair.

- PRESENT: Senator Herr
- Senator Blakemore
- Senator Hecht
- Senator Swobe
- Senator Pozzi
- Senator Lamb

Other interested guests which list attached hereto as exhibit A.

Senator Gibson spoke on bill #103. Senator Gibson had had experience of being refused insurance. When he inquired as to why he had been turned down the company told him this was privileged information which could not be divulged. He feels that when a person is denied insurance company, they have a right to know why. He suggested that if any of the Senators had language which would make the bill more workable, he was willing to go along with that. He requested that the words, "life insurance" should be added to the bill. He stated that the insurance companies had objection to this bill.

Senator Pozzi stated that he didn't see why they should have any objection to this.

Oliver Bolton, a Nevada Insurance Agent spoke. He requested that the words, "upon request of the applicant" be added to the bill. His thinking was that someone might not care to know why they were turned down and this would save paper work for the insurance companies.

Senator Gibson stated that the average citizen would not know if he had a right to do this and that it should be a law that the company inform all applicants as to why they were denied insurance.

When asked by Senator Lamb if he had any objection to this bill he answered in the negative.

Action was held up on this bill until Thursday, February 15, 1973.

S.B. 166 - This bill repeals NRS 616.081.

John Reiser was present and spoke in favor of this bill. He explained that under the present law the athletes at the University would be able to demand workmen's compensation, which would cloud their amateur standing. He explained that they need medical insurance and nothing else. The question is whether the NIC should go into the medical expense business for athletes alone or whether private insurance companies should be engaged.

Mr. Reiser was instructed to obtain information from other schools as to their experience in this matter. The matter was tabled for two weeks.

S.B. 156 - prohibits age discrimination

Senator Bryan spoke for this bill, concerning Subsection 3, lines 11 and 12, he stated that the intent is to exclude the age discrimination provisions from applicants and policy holders under a certain age. He has had three different age groups suggest as to appropriate classifications. The bills says 26, other have suggested 25 and 30.

John McSweeney, Administrator for the Division of the Aged spoke concerning the bill. He explained that insurance companies were discriminating against elderly people in raising insurance premiums. He gave as an example, a letter from Mrs. Kate St. Clair, who stated that because she had turned eighty, her insurance company raised her premium. She had an unblemished driving record.

Virgil Anderson, AAA representative stated that the insurance companies feel that at a certain age people should no longer be allowed to drive. He presented the following suggested changes to the bill.

1. No insurer shall refuse to insure, renew or reduce liability limits of, nor shall it cancel or increase the premiums of any automobile liability insurance policy issued to a resident of this state solely for the reason that the policy holder has reached a certain age.
2. Increases in rates for individual policyholders must be justified on an individual basis with the burden of proof of justification of increase on the insurer.
3. Change age 26 to 25.

S. B. 163 - Requires prompt payment by insurer of motor vehicle physical damage claims.

Mr. Pozzi presented this bill.

Virgil Anderson suggested that the bill be amended to include words to the effect that the repairs should be

satisfactorily completed. He stated that ten days would work a hardship on Independent Insurance Agents and asked for twenty days.

Daryl Capurro also requested an additional ten days.

It was agreed that fifteen days would be allowed instead of ten.

S.B. 157 - Provides clarification and housekeeping changes in Unemployment Compensation Law.

Robert Long, Administrator of the Employment Security Division spoke in favor of this bill. He explained all aspects of the changes.

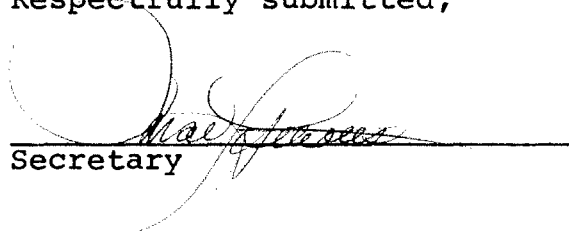
S.B. 156, Senator Lamb moved to "Do Pass" as amended, seconded by Senator Herr, the motion carried.

S.B. 163, Senator Lamb moved to "Do Pass as amended, seconded by Senator Herr, the motion carried.

S.B. 157, Senator Pozzi moved "Do Pass", seconded by Senator Lamb, the motion carried.

The meeting was adjourned at 1:35 p.m.

Respectfully submitted,


Secretary

APPROVED:

Senator Drakulich, Chairman

EXHIBIT A

Witnesses present:

James Oliver	ESD. Admin Services Officer	Carson City
R. Long	" " U. I. Admin	"
Robert Hass	Nev. Assoc. Realtors	"
Herb Matthews	" " "	"
Gene Milligan	" " "	"
James Gibson	Senator	Las Vegas
Richard Bryan	"	"
Pete Kelly	Nev. Ind. Ins. Agents	Carson
Oliver Bolton	" " " "	"
Virgil Anderson	AAA	"
Daryl E. Capurro	Nev. Motor Transport Assn.	
	Nev. Franchised Auto Dlrs Assn	Reno
Gino Del Carlo	Wallie Warren	"
Spike Wilson	Senator	Reno
John McSweeney	Admin. Div. for Aging	Carson
John Reiser	NIC	"
Henry Berrum	"	"
R. S. Haley	"	"
Joe Jackson	Press	Reno

S. B. 156

SENATE BILL NO. 156—SENATORS BRYAN,
WILSON, NEAL AND ECHOLS

FEBRUARY 2, 1973

Referred to Committee on Commerce and Labor

SUMMARY—Prohibits automobile liability insurers from considering age of insured, and requires insurers to justify rate increases and pay for medical examination. Fiscal Note: No. (BDR 57-157)



EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to automobile liability insurance; prohibiting insurers from considering age as a criteria for coverage of persons over 25 years of age; requiring insurers to prove justification for rate increase and pay for necessary medical examination; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. Chapter 687B of NRS is hereby amended by adding
- 2 thereto a new section which shall read as follows:
- 3 1. *No insurer shall refuse to issue, reduce liability limits of, or*
- 4 *increase the premium of any automobile liability insurance policy issued*
- 5 *to a resident of this state for the sole reason that the policyholder has*
- 6 *reached a certain age.*
- 7 2. *Increases in rates must be justified individually with the burden of*
- 8 *proof justifying the increase on the insurer. If a medical examination is*
- 9 *required for the purpose of a rate increase, such examination shall be at*
- 10 *the expense of the insurer.*
- 11 3. *This section does not apply to applicants and policyholders under*
- 12 *the age of twenty-six years.*

SENATE BILL NO. 157—COMMITTEE ON
COMMERCE AND LABOR

FEBRUARY 2, 1973

Referred to Committee on Commerce and Labor

SUMMARY—Provides clarification and housekeeping changes in Unemployment Compensation Law. Fiscal Note: No. (BDR 53-284)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to unemployment compensation; facilitating reciprocal arrangements with other states and compliance with federal requirements; eliminating obsolete provisions; clarifying and modifying coverage and applicability of the Unemployment Compensation Law; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. NRS 612.025 is hereby amended to read as follows:
2 612.025 1. "Base period" means the first 4 of the last 5 completed
3 calendar quarters immediately preceding the first day of an individual's
4 benefit year, except that in those instances in which 1 calendar quarter
5 of the base period so established has been used in a previous determina-
6 tion of an individual's entitlement to benefits the base period shall be
7 the first 4 completed calendar quarters immediately preceding the first
8 day of an individual's benefit year.
9 2. *In the case of a combined wage claim pursuant to the reciprocal*
10 *arrangements provided in NRS 612.295, the base period is that appli-*
11 *cable under the unemployment compensation law of the paying state.*
12 SEC. 2. NRS 612.030 is hereby amended to read as follows:
13 612.030 1. With respect to any individual, "benefit year" means the
14 52-consecutive-week period beginning with the first day of the week with
15 respect to which a valid claim shall be filed, and thereafter the
16 52-consecutive-week period beginning with the first day of the first week
17 with respect to which a valid claim shall be filed after the termination of
18 his last preceding benefit year.
19 2. *In the case of a combined wage claim pursuant to the reciprocal*
20 *arrangements provided in NRS 612.295, the benefit year is that appli-*
21 *cable under the unemployment compensation law of the paying state.*
22 3. Any claim for benefits made in accordance with NRS 612.450 and

S. B. 163

SENATE BILL NO. 163—SENATOR POZZI

FEBRUARY 6, 1973

Referred to Committee on Commerce and Labor

SUMMARY—Requires prompt payment by insurer of motor vehicle physical damage claims. Fiscal Note: No. (BDR 57-732)



EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to insurance; requiring prompt payment of motor vehicle physical damage claims; and providing a penalty.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

1 SECTION 1. Chapter 686A of NRS is hereby amended by adding
2 thereto a new section which shall read as follows:

3 1. *No insurer issuing vehicle insurance, as defined in paragraph (a)*
4 *of subsection 1 of NRS 681A.020, shall delay making payment for any*
5 *motor vehicle physical damage claim after receiving a statement of*
6 *charges, pursuant to the provisions of NRS 487.035, from any person*
7 *or garage previously authorized by the insurer to perform the repair*
8 *work required by such physical damage claim.*

9 2. *A delay, within the meaning of this section, is failure to issue a*
10 *check or draft, payable to the person repairing or to the insured and per-*
11 *son repairing jointly, within 10 days after the insurer's receipt of the*
12 *statement of charges.*