

## SENATE COMMERCE AND LABOR COMMITTEE

## MINUTES OF MEETING

MONDAY, MARCH 26, 1973

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

Senator Drakulich in the Chair.

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

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

Senator Pozzi testified in favor of the bill. He said he had had much pressure from people concerning no fault, both from attorneys and from insurance people. He stated that he was not going to be pressured into voting one way or the other on no fault, and was not concerned what happened to SB 163 in that regard.

Motion Senator Pozzi, Do Pass as Amended on the first reprint, seconded by Senator Swobe, carried.

S. B. 158 - Creates scheme of automotive insurance permitting recovery without regard to fault.

S. B. 255 - Enacts a plan of motor vehicle liability insurance.

A. B. 227 - Enacts the Nevada Automotive Reparation Reform Act.

Bob Guinn was present and indicated he had some amendments that should have been presented at the public hearing on no fault, but they were unable to present them before the chairman closed the hearing.

Senator Drakulich stated that he was not committed to any one of the bills and was not certain whether he would vote affirmatively on any of them without certain amendments.

Randy Capurro, Assemblyman, spoke in favor of A. B. 227. He stated that it was substantially different than when it was originally introduced. It provides insurance to the amount of \$25,000, both medical and total economic loss, wage replacement, etc. Loss of income \$750 for any thirty day period and it is mandatory upon the company to furnish more coverage if requested. The insurance is compulsory so they are trying to keep the cost down. There is absolutely no property damage covered in this bill. Property damage has been eliminated from the no fault concept in this bill.

The \$25,000 limit; with the internal limits that we have and making the insurance company furnish additional insurance if requested, we can keep the cost down to the present level, less 15% under the bodily injury, medical and uninsured motorist portion of this policy. This figures out to about \$10 a year. The bill has a \$2500 threshold. All motor vehicles are insured except motorcycles and powercycles. The reason for this is the cost for no fault insurance on motorcycles would be prohibitive because of the no protection on a motorcycle rider. Commercial vehicles have been included.

There is a section in the bill which allows subrogation. It is for this reason that a commercial vehicle can be included without special rates.

Upon a question by Senator Herr, as to whether the automobile insurance is primary, or would her personal health and accident policy be the primary carrier, Richard Rottman, Insurance Commissioner stated that the automobile insurance is primary.

Peter Neumann, a trial lawyer and a proponent of the "Oregon Plan, no fault insurance" spoke in opposition to A. B. 227. He objected to the \$2500 threshold. Pain and suffering can only be prayed for if his medical damages are over \$2500. This is not fair to someone who might be terribly hurt, but whose medicals are not over a few thousand dollars. He spoke in favor of S. B. 255.

Senator Lamb stated that a person's constitutional right is being taken away when someone tells him he can't sue for a wrong which has been done to him.

Senator Lamb further asked if the threshold would protect rates. The answer by Mr. Rottman was yes, very definitely.

Upon a question by Mr. Pozzi as to whether or not higher rates would be charged for teenage drivers, Mr. Rottman answered that this should have no bearing on the rates.

The meeting was adjourned at 1:15 p.m.

Respectfully submitted,

  
Mae Lofthouse, Secretary

APPROVED:

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Stanley Drakulich, Chairman

Name

Who Representing

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Farmer Group Inc  
Assembly.