

SENATE COMMERCE AND LABOR COMMITTEE

MINUTES OF MEETING

TUESDAY, APRIL 10, 1973

The meeting was called to order at 3:15 p.m.

Senator Drakulich in the chair.

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

S. B. 268 - Prohibits collection of unemployment benefits
by employee discharged for misconduct

Motion Senator Herr, Amend and Do Pass, seconded Senator
Lamb, carried.

S. B. 539 - Creates Insurance Holding Company Law

Motion Senator Lamb, Do Pass, Seconded by Senator Herr,
carried.

S. B. 607 - Requires a permit and bond of entertainment industry
promoters.

Motion by Senator Herr, Amend and Do Pass, Seconded by Senator
Lamb, carried, the amendment was to change the word may to
shall.

A. B. 340 - Changes certain provisions relating to employ-
ment agency fees.

Keith Hendrikson, appeared in support of the bill as a
private citizen. He stated that the Labor Commissioner
could close up a business without first having to go through
the District Attorney's office, which would simplify things.

Lou Paley, Nevada AFL-CIO spoke in opposition to the measure.
He stated that his people strenuously object to this legis-
lation.

Motion, Senator Lamb, Do Kill, seconded Senator Swobe,
carried.

S. B. 611 - Enacts the Nevada Motor Vehicle Insurance Act.

Motion Senator Lamb, Do Pass as Amended, Seconded Senator
Herr, carried. Senator Blakemore voting No, Senator Swobe
abstaining.

A.B. 587 - Prohibits use of aluminum wire in electrical systems of factory-built housing, mobile homes and travel trailers. 204

Bob Warren, Nevada Municipal Association, appeared and testified in support of this measure.

S. B. 444 - Progressively increases education requirements to obtain real estate broker's license.

Gene Milligan, Nevada Association of Realtors, appeared in support of the measure and presented some amendments thereto. Said Amendments are attached hereto as Exhibit B.

S. B. 580 - Increasing burdens of importing, retailing or wholesaling intoxicating liquor.

Jim Rath, Nevada Tax Commission, appeared in support of the measure. Mr. Rath read a letter from Jim Sheehan, which letter is attached hereto as Exhibit C.

Bill Luce, of the Nevada Wholesale Liquor, spoke in favor of the bill.

Motion, Senator Swobe, Do Pass, as is, seconded by Senator Blakemore, carried. Senator Hecht voting no, Senator Lamb absent.

A. B. 585 - Increases assumed wages of volunteer firemen for purposes of Nevada Industrial Insurance Act.

Rowland Oakes, Associated General Contractors, appeared and spoke in opposition to the bill. He feels that the firemen should not get disability benefits based on wages which they do not receive.

Motion, Senator Pozzi, Do Pass, seconded by Senator Swobe, carried.

A. B. 675 - Provides equal standard of dependency for wife and husband if either is injured in employment.

Motion, Senator Herr, Do Pass, seconded Senator Blakemore, Senators Blakemore, Herr and Drakulich voting Aye, Senator Pozzi, voting Nay, Senator Swobe abstaining, Senator Lamb, absent. The bill is killed.

✓ S. B. 194 - Enacts temporary disability benefit law.

Motion Senator Blakemore, Do Kill, seconded Senator Herr, carried.

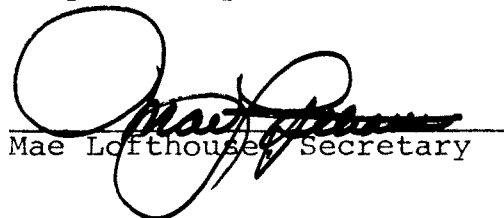
S. B. 307 - Enacts Nevada Temporary Disability Benefit Law

Milo Terzich, American Life Insurance Group, appeared and spoke in favor of the measure and presented certain amendments thereto. Said amendments are attached hereto as Exhibit D.

Senator Pozzi and Senator Swobe spoke in opposition to the measure.

The meeting was adjourned at 5:00 p.m.

Respectfully submitted,


Mae Lofthouse, Secretary

APPROVED:

Stanley J. Drakulich, Chairman

Name	Who Representing
Alyson Schultz	NA Realtors -
Fred W. Schell	NA Realtors
C. G. Stullow	Exp. R.R. Assoc.
Pete Kelley	Ins. Ind. Insurance Agents
W. Howard Gray	Nat. Am. Exch.
EV Foster	ESD
Ed Fitzgerald	UTU
Ralph G. Hoy	None
Tom LORENTZEN	
Paul H. Wurschel	Self.
Hal W. Pullington	self
Robert J. Walker	SELF
Clynt Knoll	Nev. Ass'n of Employers
Art Peterson	" " " "
Robt Warren	Nev. Municipal Assn
Charles D. Young	ALIA
Milos Trjubi	ALIA
JOHN REISER	NIC
W.F. "Bill" Adams	City of Las Vegas
Wm. G. Brannan	Brooks Lent - n - Crk - , L. V.
Virgil B. Anderson	R & D
Joe Midmore	Builders Assoc of N. Nev.
Robert F Guynn	NMTA - NFAA
Wesley Haven	JAPLO
Bill Neely	Leg. Intern
JOHN MADOLE	ASSOC. GEN. CONTRS.
ROWLAND OPILLES	ASSOC GEN CONTRS.
Robert Herbie	ESD -
Paul Neely	

PROPOSED AMENDMENTS TO SB 444

Page 2, line 23: Delete "the major portion of which are real estate courses or business courses related to real estate."

out }

Page 2, line 29: Delete "50" and substitute "25".

Page 2, line 34: Delete "year" and substitute "nine months."

Page 2, following line 36, add new section 10, as follows:

"The educational requirements in NRS 645.343 may be waived partially or completely by the commission if the applicant for an original real estate brokers license furnishes proof satisfactory to the commission that he resides in a rural county where educational resources are not available and where excess travel would work a hardship on the applicant in meeting such requirements."

Page 2, line 39: Delete Section 3 in its entirety. (Relates to six classroom hours continuing education).

*Page 1, line 20 Delete January and substitute July
Page 1 Line 12 " " " "*

Nevada Tax Commission

CARSON CITY, NEVADA 89701



MIKE O'CALLAGHAN, Governor

JOHN J. SHEEHAN, Secretary

April 9, 1973

The Honorable Stan Drakulich
Chairman, Senate Commerce Committee
Legislative Building
Carson City, Nevada, 89701

Dear Senator Drakulich:

While I have a strong desire to appear and testify in behalf of SB 580, I must be in Las Vegas to conduct administrative hearings at the time your Committee has scheduled the taking of testimony on that Bill.

If I may communicate with your Committee via this letter, it would be appreciated.

The Tax Commission has been delegated by the Legislature certain functions and responsibilities in the area of intoxicating liquor licenses and taxation. For that reason, this Agency has a certain rapport with the licensed importers and wholesalers of liquor. I was approached by certain representatives of the liquor industry and asked if I would sponsor legislation which is now known as SB 580. Personally, I feel the legislation to be meritorious and I would urge Committee approval. The first amendment of substance appears on page one, line 3, and, in effect, provides that a licensed wholesale dealer of liquor shall not own or have any financial interest in a retail liquor business. It has always been the interpretation of existing laws by this Agency that a wholesaler could not own a retail liquor establishment. Likewise, of course, a retailer could not be a licensed wholesaler. The reasons for this appear obvious. This Agency does not feel the two businesses to be compatible. If retailers were able to be wholesalers the policing of the licenses by this Agency would be very difficult.

The second amendment of substance commences on page two, line 7. In effect, this amendment would require the retailer to give notice to his customers of the brand name of liquor being served. With the advent of the dispensing gun or metering device, there arose questions in the minds of some consumers as to the brand of liquor being sold. This in my mind appears to be legitimate inquiry and the adoption of this amendment would provide an answer to these questions.

Senator Drakulich
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Page Two

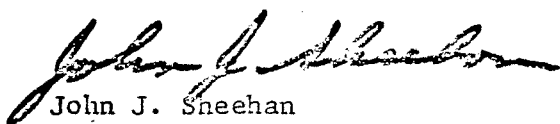
The third amendment of substance appears at line 19 on page two. I feel that the amount of required inventory should be increased so as to discourage "one-time" or "fly-by-night" adventures into the wholesale liquor business.

I do not feel the wholesale liquor industry is the proper place for speculative adventures. I believe that an individual desiring to go into the wholesale liquor business should be prepared to commit himself to a substantial inventory. Many wholesalers have inventories in excess of several hundred thousand dollars. So that tax revenues are secure and so that this Agency knows that those individuals entering the wholesale liquor business are sincere and dedicated to that cause, I feel an increase in the amount of inventory is appropriate. This increase in inventory would not apply to existing wholesalers and would not operate to their detriment.

The fourth and final amendment of substance begins on line 24 of page two. It is obvious the purpose of this provision is to prevent the intrusion into the existing markets of our existing wholesalers by newcomers. I cannot argue with the concept that existing businesses should be protected by legislation; however, I do not feel as strongly about this proposed amendment as I do the first three.

For the reasons stated, I would urge favorable action by your Committee on SB 580.

Very truly yours,


John J. Sweeney
Executive Secretary

JJS:lb

A M E N D M E N T SS.B. 307A.B. 457

p.2, 1.21

p.2, 1.21

After "wages" insert "to provide".

p.2, 1.30

p.2, 1.30

After "or" insert "of".

p.3, 1.34-43

p.3, 1.34-43

Delete and insert:

"2. The average weekly wage shall be the amount determined by dividing the total wages of such employee in the employment of his last covered employer for the 8 weeks or portion thereof that the employee was in such employment immediately preceding and including his last day worked prior to commencement of such disability, by the number of weeks or portion thereof of such employment. The executive director may by regulation prescribe reasonable procedures to determine average weekly wage, including procedures in lieu of the foregoing for determination of the average weekly wage of a class or classes of employees, and may authorize reasonable deviations to facilitate administration in the determination of average weekly wage of a class or classes of the employees of a covered employer.

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"3. Prior to July 1 of each year, the executive director shall publish the average annual wage in covered employments in Nevada as determined pursuant to chapter 612 of NRS for the period beginning July 1 of each year and continuing through June 30 of the following year. If the average weekly wage of the employee exceeds an amount equal to one fifty-second of the average annual wage last published by the executive director, such excess shall not be included in the computation of the weekly benefit amount."

p.4, 1.4

p.4, 1.6

Change "22" to "21".

p.4, 1.12

p.4, 1.14

At the end of section 23, add an additional sentence as follows:

"If an individual shall change employment, the executive director, upon written request of the new employer, shall provide such employer with such necessary information as may be available to the executive director for such employer to determine whether the individual is eligible."

p.4, 1.35

p.4, 1.37

Delete "Nevada Revised Statutes" and insert "title 16 of NRS".

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p.5, 1.22

p.5, 1.23

After "insurance" add "and the
Executor Director".

p.5, 1.35

p.5, 1.36

After "chapter" add a new sentence,
"The Executive Director shall establish
by regulation the basis for determining
solvency and financial ability for the
purposes of this paragraph."

p.6, 1.1

p.6, 1.2

Change "A plan" to "Any other such
plan".

p.6, 1.9

p.6, 1.10

Delete "by agreement, and".

p.6, 1.10

p.6, 1.10

Change "the contribution" to "the excess
contribution".

p.6, 1.10

p.6, 1.11

Change "the benefits" to "the additional
benefits".

p.6, 1.17

p.6, 1.18

Change "Any plan" to "Any other such
plan".

p.6, 1.29

p.6, 1.30

Delete "by agreement, and".

p.6, 1.29

p.6, 1.30

Change "the contribution" to "the excess
contribution".

p.6, 1.30

p.6, 1.31

Change "the benefits" to "the additional
benefits".

p.8, 1.11

p.8, 1.11

After "necessary" insert "to be filed by
April 1 of each year, commencing with
calendar year 1975,".

p.8, 1.12

p.8, 1.12

After "chapter" add a period, delete
the remainder of this line, and insert:

"The report of each insurer issuing insurance policies to provide temporary disability benefits required by this chapter shall include the amount of temporary disability insurance premiums earned, reduced by policy dividends or experience rating refunds paid or credited to policyholders, and the average total weekly disability benefit amounts insured under such policies during the latest policy year ending during the preceeding calendar year. The report of each administrator of any non-insured plan or agreement providing temporary disability benefits required by this chapter shall include the cost of providing such temporary disability benefits, including administrative costs incurred by the administrator, and the average total weekly disability benefit amounts covered under such plan or agreement during the latest fiscal year of such plan or agreement ending during the preceeding calendar year. If benefits are provided on the basis of subsection 4 of section 28 of this act, the benefit amount reported

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p.8, 1.13	p.8, 1.13
p.8, 1.16	p.8, 1.17
p.9, 1.46-48	p.9, 1.48-49)
p.10, 1.1	p.10, 1.1-2)

p.10, 1.20	p.10, 1.21
p.10, 1.26	p.10, 1.27
p.10, 1.46	p.10, 1.46
p.11, Sec. 39	p.11, Sec. 39

p.11	p.11
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shall be the statutory benefit amounts to which the policy or plan benefits are equivalent."

Delete.

After "credit" insert "from his employer

Delete and insert:

"SEC. 35. Every policy of insurance which covers the liability of an employee to one or more employees for temporary disability benefits shall cover the entire liability of the employer to such employees imposed by the provisions of this chap--"

After "applied" insert "to reduce the employees' contributions or otherwise".

Change "may" to "shall", and change "that" to "if".

Change "his" to "its".

Add subsection 7 to read:

"7. All surplus monies as determined by the Executive Director shall be invested and reinvested by the State Board of Finance under the same terms and conditions as other State funds."

Add new section as Section 39A to read:

"1. Each authorized insurer transacting life insurance or disability insurance, or both, in this state shall pay a special assessment upon the net premiums from such insurance as were reported in the tax return filed with the insurance commissioner pursuant to NRS 680B.030 in the calendar year during which the assessment is payable.

"2. Such special assessment shall be 0.3% for calendar year 1973 and 0.2% for calendar year 1974, payable by September of each year to the Executive Director. The amount of the assessment paid by each insurer shall be offset against the tax due and payable under NRS 680B.030 for business done during that calendar year.

"3. Beginning in calendar year 1975, and annually thereafter, the executive director shall determine from the reports filed in that calendar year pursuant to section 30 of this act, the total amount of net temporary disability insurance premiums earned by all insurers, and on or before May 1 of that year shall certify such amount to the state treasurer. The

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state treasurer shall thereupon transfer from the general fund to the Executive Director such sum of money as is equal to 2% of such amount.

(OPTIONAL)

"4. Beginning in calendar year 1975, and annually thereafter, each employer providing temporary disability benefits on a non-insured basis shall, simultaneously with filing the report required by section 30 of this act, pay to the Executive Director a tax equal to 2% of the total temporary disability benefits paid by such employer during the preceding calendar year."

Change the word "is" to "in".

Strike the period at end of sentence and add: "as determined by the Executive Director."

p.14, 1.46

p.15, 1.2

p.15, 1.2