

MINUTES

COMMERCE COMMITTEE - NEVADA STATE LEGISLATURE - 58TH SESSION

March 19, 1975

The meeting was called to order by Chairman Robinson at 3:10 P.M.

MEMBERS PRESENT: Mr. Benkovich
 Mr. Demers
 Mr. Getto
 Mr. Harmon
 Mr. Hickey
 Mr. Moody
 Mr. Schofield
 Mr. Wittenberg
 Mr. Chairman

MEMBERS ABSENT: None

SPEAKING GUESTS: Assemblyman Getto
 Robert E. Edmondson, Attorney General's Office
 Assemblyman Hayes
 Pete Kelley, Nevada Retail Association
 Sydney Money, Globe Realty
 Joe Midmore, chain stores
 Gene Milligan, Nevada Association of Realtors
 Ronn Reiss, Lansford & Couch Realty
 C. W. Riggan, Douglas County Recorder, Nevada Recorders
 Bob Broadbent, Las Vegas Commissioner
 James F. Hayes, Las Vegas Board of Realtors
 Frank Gentry, Nevada Association of Land Surveyors
 Jack Mitchell, City of North Las Vegas and Las Vegas
 Gary Vause, Las Vegas Board of Realtors

The purpose of this meeting was to hear testimony on the following bills:

AB 9
AB 49
AB 375

The first measure to be taken up was AB 9 which:

Allows applicants to take real estate broker's examinations for license upon completion of educational requirements.

Mr. Getto spoke on behalf of this bill saying that presently a person cannot apply for his Broker-Salesman license until he has received his Salesman license and has practiced for two years. He must pay a fee two times -- when he takes his salesman examination and then again when he takes his broker examination. Also, it makes it necessary for him to go back to school to take the second examination. This bill would allow him to take one test rather than two. If he passes, he is then a salesman and will automatically become a broker upon completion of the educational requirements.

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Mr. Edmondson then spoke commenting that since the requirements to become a Broker continued to become more involved, there was a definite incentive to acquire this license as quickly as possible. He said this bill would waive the present 2-year experience requirement and would enable applicants to take the broker exam simultaneously with the salesman exam. Upon satisfying the requirements, a person would move up to the classification of broker.

Mr. Demers commented on the requirement that the applicant be of good moral character and he wondered how this would be defined. Mr. Edmondson said this is pretty much defined by the Advisory Commission.

Mr. Edmondson said there was a conflict within Chapter 645.330 and 645.343 with regard to the two year experience requirement. AB 9 would correct this conflict.

Mr. Getto and Mr. Edmondson have amendments to submit and as soon as they are complete and accurate they will do so.

This concluded testimony on this bill and discussion turned to AB 49 which:

Prohibits increase in price of food once marked and offered for sale.

Mrs. Hayes spoke on behalf of this bill. She said we have to start fighting inflation somewhere and to start doing something for the consumer. She said some stores have already started doing this voluntarily. She felt the consumer should have some remedy if they feel they are being "ripped off". She said her intent was not to have a grocer with a warehouse full of food be included in this. This bill would only apply to food that has already been priced and placed on the shelf. She said most stores have a complete turnover of about two weeks and some of the major stores may have a complete turnover of just a few months because they buy in such quantity. Some questions which have come up is how would a grocer be able to mark items down for a weekend sale? Mrs. Hayes said in her research she did not find one grocery store that marked down sale items. A sign is placed by the item or the shelf is marked with the sale price. She said they like to leave the original price on the item so customers can see the bargain. Another question was enforceability. She said it was not her intention to have the police force checking cans of dog food or boxes of cornflakes. She said that the consumer would enforce this measure and there are agencies that handle these types of claims. She said the bill was aimed at those people who were locked into one store such as the aged.

Pete Kelley spoke in opposition to this bill because he feared it would spread into the retail industry. He talked about the fact that even though a merchant pays a fixed price for some merchandise, there are other costs that go up--overhead. He thought merchants might react by initially marking things up to a higher price.

He thought the net result may be increased inflation and increased prices. He thought the basic concept was one of price control and he felt it unworkable unless you have complete price control. He said there was no fiscal note with this bill yet there is a penalty involved and he thought the attendant cost of record keeping and administration would be substantial. He thought the competition of private enterprise would keep prices at a decent level. Mr. Kelley said he represents about 250 retailers about the state and this does not include any grocery stores. His fear was that a precedent would be established by this bill and would eventually spread to other industries such as the clothing industry. He felt there was plenty of remedy for this type of thing under the Deceptive Trade Practices Act which is already on the books.

Mr. Money, a private individual, favored this bill. He said he has gone into stores and found perishable items with two or three different prices marked on them. These perishable items cannot be on the shelf for long and he did not feel it right that a store could mark something up so many times in such a short time.

Joe Midmore spoke with regard to this bill and said it would affect stores such as Raley's and Skaggs which do sell some food items and in most cases they are not perishable items. He suggested that the bill may be too broad and asked the committee to consider this fact. He said he could see a new trend of not marking food items individually and just putting markers on the shelves.

Mr. Schofield commented that the bill would help the rotation of food. Mr. Wittenberg wondered what would happen if a customer comes up to the counter with two identical items with two separate prices.

Discussion then turned to AB 375 which:

Redefines subdivision and provides for record of survey maps.

Dr. Robinson spoke on behalf of this bill. It originated in the Real Estate Division of the Department of Commerce. He said it was aimed at the little people who own some parcels of land that they want to sell or even give away but the cost becomes prohibitive in a number of cases because of surveying and marking and all the other things required of them because under present law they are classified a subdivision. This bill would change the definition of a subdivision from land divided into two or more lots to five or more lots. In this way the small property owner would not come under the definition of subdivision. He said this was the only change he requested in the bill and noted that there were a few others which have been made by the bill drafter.

Gene Milligan then spoke. He was strongly in favor of this bill. He cited several examples of what the real estate industry has been faced with under the present law. This included what he called the "approval cycle" which is the requirement that the signatures of approval be obtained from various agencies which can take up to several months to complete. He said this could really affect the financial picture of a real estate transaction because of the

constantly fluctuating interest rates and points. This is a serious detriment to the consumer. He said fences, sales of one foot of land, donations, switching lots from North and South to East and West and selling of an interest in land all fell under this classification of subdivision. It has caused many problems. He contacted the Deputy Attorney General in the Department of Commerce who handles decisions connected with subdivisions and he had 15 to 20 opinions which have generated out of this law. He said there was some feeling that this law got to brokers and subdividers but it really gets to the consumer. It was aimed to control subdivisions but it has really socked it to the little man and has worked a hardship on him. The result has been to really stifle development in these small parceled areas. People can't afford to sell them or it is too big of a problem for them to handle. From this standpoint, it has had an effect on the economy. There are about 12 statutes that regulate the real estate industry in some way. If an individual gets involved in this, they have to go to someone for help. One of the effects this has had is preventing property from ever getting out on the market. He said the major thrust of his statement was that the present law has created tremendous problems for the real estate industry throughout the State and he believes this bill will resolve these problems.

Mr. Ronn Reiss then spoke saying the primary concern was that the present law works a hardship on the consumer. He said when it costs so much to sell property, the owners will raise the price they want for their property thereby passing this increase on to the purchaser. He said even though this means more money for the realtor, he would rather see the property sold at the proper price. He said there are many problems involved such as an out of state owner selling to an out of state buyer. They are not familiar with what it required and some years down the line the buyer decides to build on this property and goes to get a permit and is told he cannot because there is no map filed. By this time the seller cannot be found and since a map must be filed, the buyer gets stuck with the cost. He said the cost of surveying was so much because of all the agencies that must be visited in order to obtain all the required approvals. He also felt it useless to have a survey performed and a map filed on a piece of property in a very rural area because by the time improvements are made, markers have disappeared and it becomes necessary to survey all over again. He felt the survey should only be required when the buyer does decide to build or improve this rural parcel.

Mr. Riggan then spoke. He felt the hardship worked on many of the people in Douglas County has been great. He said, however, that going back to 5 parcels rather than 2 causes concern because he wondered if this would stop four-by-fouring. This was a concern last session. He was also concerned with reverting back to 5 parcels if this would stop the fly-by-night guy who comes in and sells land "without the tail that goes with the horse", i.e. water, ingress and egress, etc. He spoke of condominiums and said he felt a 2-unit

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condominium should be dealt with as a subdivision. If this is changed to 4-units, then there will be a problem created in Douglas County because they have many small 2-unit condominiums. He felt there should be a more clear definition of subdivision, condominium and a place for use of the record of survey. A survey ought to be used to define the boundaries of property. He had qualms about the parcel map act because of the hardship it would bring on many people.

Mr. Riggan continued speaking commenting on the bills that have been submitted to change Chapter 278 to make the price for recording uniform so taxpayers are not picking up a cost from which they receive no benefit and stated that under ~~the~~ currently the fee for filing a condominium map is 50¢ for indexing and 25¢ for each unit indexed. You get a 4-unit condominium indexed for \$1.50 and this does not even begin to cover the costs involved in this indexing. He said recorders are asking that the law be changed to read \$50.00 or \$25.00 plus 25¢ for each unit subdivided. He didn't see where this bill would consider this sort of thing.

With regard to Page 5, line 8, 9 and 10 provide for a book to store maps in. He said he does not know of a recorder in the State who keeps maps in books anymore. They are kept in map cabinets so they are better preserved.

With regard to condominium law which provides a certificate from a title company as to who holds any record interest in a condominium and he felt this law should be incorporated into Chapter 278.

Bob Broadbent then spoke saying the reason this law was put back to 2 lots last session was a request of public government because of problems they were running into. The Board of County Commissioners have gone on record as opposing AB 375 because of four-by-fouring as previously mentioned and because of the problems with land being subdivided and no streets dedicated or provisions for rights of way, etc. The government ends up paying for these things. He said he certainly sympathizes with the person who wants to sell a parcel or give it to a relative, etc., but he wondered if this could be remedied with an amendment rather than by changing the definition of subdivision which he felt has made some sense out of the checker boarding that has occurred in Southern Nevada. He said the County Commissioners see 10 to 15 minor subdivisions every two weeks that come before them. He could see no undue burden except for the burden of the survey. He thought it was down to the point where signing off of the maps was not too tough as long as they realize that they must dedicate those pieces of land that are needed for public purposes--roads, power lines, rights of way, etc. He thought it would be in the best interest of the consumer to leave it at 2 rather than put it back to 5. He thought many of the objections mentioned by Mr. Milligan are taken care of in AB 324. He said Mr. Downey and Mr. Monahan and those people in Clark County in the Engineering Department have stated their opposition to changing the definition of subdivision. Commissioners from small counties as well as the large ones feel this way.

He mentioned the problem in remote areas of the selling of a mountain top, for example, and the problems that presents. He said perhaps there could be some consideration given to these hard to get to areas. He said when this law first went into effect it was a hassle but now, at least in Clark County, it is more work but it is not the tough job people make it out to be.

Dr. Robinson said there are several Senate Bills that address themselves to these large subdivisions such as 40 acres or the top of a mountain, etc.

Mr. Broadbent said rather than make this change from 2 to 5, he would rather face the problems we have and try to write in corrections into the bill where it is not equitable.

He said as long as a person must come to the County and sign off so that he can be told if he is going to have to dedicate any of his property, etc., this was their main concern. They feel a person should be told these things going into a transaction rather than some years down the line.

Jim Hayes of the Las Vegas Board of Realtors spoke. He thought the problems in Douglas County could be solved in AB 375 on page 3, line 37 with reference to a population of 100,000 or more but less than 200,000. He also felt that Section 4, Sub-section 1 would provide the opportunity of informing people of any dedications necessary, etc. When you go around having your map signed by the various agencies, you must also go to the County and sign (this applies to Seller, it has nothing to do with the Buyer). If at any future date there is any assessment district levied on that particular piece of property, he will absolutely waive any and all objections to whatever assessments stem from that property and he did not believe this was the intent of the law. He felt there might be some minor changes necessary but he does think AB 375 will correct the inequities and he did not feel AB 324 would solve anything although he said perhaps compromises could be made. With regard to a buyer finding out after purchasing a parcel about easements and rights of way, etc. He felt it could perhaps be incorporated into the bill that the buyer should be informed before the purchase. He also felt a survey or at least a plat map should be required at the onset of a transaction. He also said perhaps penalties could be made for the person who sells a parcel smaller than that provided for by ordinance to build a house on. It should be mandatory to divulge the facts. The consumer should not be penalized for this.

Mr. Reiss suggested that a requirement be made which would provide for the person who wishes to divide his property into four or less parcels that he present a map and not necessarily a survey map, but a map to the County Planner and head of the road right of way department for their approval so tht these parcels will meet the building code according to size, the zoning and also dedication of the roads for access and then you would not have these problems.

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Frank Gentry then spoke saying the Nevada Association of Land Surveyors do not object to this bill but questioned some verbage. He thought AB 375 would cloud the waters of NRS 625 which has been a good vehicle for both surveyors and the public so he did not think the record of survey should be confused in with the planning and zoning and subdivision or he said the next time someone wants to know the boundaries of his property, the surveyor will have to go to a Planning Commission meeting to determine these boundaries. Attached to these minutes is a copy of the proposed changes to AB 375 recommended by Mr. Gentry.

Mr. Demers asked why the word "engineers" is being taken out in Mr. Gentry's proposed changes and Mr. Gentry informed the committee that an engineer is not allowed to make surveys in the State of Nevada unless he is a licensed land surveyor. Mr. Gentry added that the Nevada Association of Land Surveyors are the sponsors of AB 324.

He said he was opposed to just a plat map being required rather than a record of survey because it would be a map of no control and he could see problems defining sufficient room for right of way, easements, etc. He would like to see parcel map changed to something more workable.

Mr. Hickey wondered if any other states used the parcel map and Mr. Gentry said he thought California was talking about it but he said it was very difficult to draft legislation that will protect the little man and at the same time not have loopholes that someone could take advantage of and come in and four by four on a parcel and ruin the intent of the law.

Mr. Hickey asked about price and Mr. Gentry said the cost to have a map done is about \$400 but if a person is aware of the procedure and doesn't mind the legwork, he can go around to all the agencies to have the map signed, etc., and the cost would get back down to about what it used to be. He said he charges something but at the same time loses something because of all the time he must spend running around for these approvals. He added that surveyors are not really happy with this method either.

Mr. Broadbent stated that he would be happy to work with the realtors and others in order to come up with amendments that would make the bill acceptable to the Board of Commissioners. He said they did not want to stifle growth but just to have control of it.

Mr. Jack Mitchell then spoke saying he concurred with Mr. Broadbent. He agreed there were problems with the parcel map. He did not think AB 375 handled the problems well but thought it could be formed into something that would be workable. He felt there was a conflict on Page 4, Section 4 where it refers to subdividers and subdivisions when it has been stated that they do not fall under the definition. Also, on line 23 on page 4, if this is not a subdivision, no map is required. He felt AB 324 addressed itself more to the specific problems than AB 375.

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Discussion as the the status of AB 324 was brought up. It is presently in the Assembly Government Affairs Committee and since it deals with the same section of the law, it would conflict with AB 375.

Dr. Robinson asked Mr. Milligan and Mr. Broadbent to get together and gather as much information on AB 375 so that discussion can continue after the committee studies AB 324.

Mr. Hayes said AB 324 would change the law as to easements but that is basically all it does and so the law would remain the same as it has for the past two years and he definitely favored passage of AB 375.

Gary Vause spoke saying in comparing the bills, realtors would favor AB 375. He thought the problem of protecting the little man from getting a lot too small to build on could be handled by a minimum square footage provision being added to the bill.

Mr. Moody suggested that the appropriate amendments be made to AB 375 and then have the bill re-referred to the Government Affairs Committee and let them look at it in conjunction with AB 324 but Mr. Getto did not agree because he felt this subject was definitely in the realm of Commerce and perhaps AB 324 should be sent to this committee. Dr. Robinson said Mr. Milligan and Mr. Mitchell and Mr. Broadbent, Mr. Loomis, and someone from Clark County and Washoe County should get together and report back to this committee in about a week with amendments to straighten out this bill and that it would be kept in the Commerce Committee.

This concluded testimony on the afore mentioned bills. Dr. Robinson mentioned that he had the proposed amendments to and additional information on AB 279 promised by Mr. McCracken and asked the committee members to study it for discussion at Monday's meeting. He also said he was in receipt of amendments to AB 6 which were the result of getting together with the DMV and that the committee members should study these too for discussion on Monday.

Mr. Benkovich moved for adjournment. This was seconded by Mr. Getto and carried the committee unanimously. Chairman Robinson adjourned the meeting at 5:15 P.M.

Respectfully submitted,

Joan Anderson, Secretary

ASSEMBLY
HEARING

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COMMITTEE ON.....COMMERCE.....

Date. MARCH 19, 1975 Time. 3:00 P.M. Room. 316.....

Bill or Resolution
to be considered

Subject

* THIS AGENDA SUPERSEDES PREVIOUS AGENDA FOR MARCH 19, 1975

AB 9 *DO PASS AS AMENDED* Allows applicants to take real estate broker's examinations for license upon completion of educational requirements.

AB 49 Prohibits increase in price of food once marked and offered for sale.

AB 375 *DO PASS AS AMENDED* Redefines subdivision and provides for record of survey maps.

* AB 242 This bill will be heard at a later date.



NEVADA ASSOCIATION OF LAND SURVEYORS

March 19, 1975

Assemblyman Robert E. Robinson, Chairman
COMMITTEE ON COMMERCE
Room #316
401 South Carson Street
Carson City, NV 89701

RE: Assembly Bill No. 375
(Revising NRS Chapter 278)

Dear Mr. Robinson and Members of the Committee:

The Nevada Association of Land Surveyors appreciates the opportunity you have extended to us for commenting on Assembly Bill No. 375.

A summary of our comments is attached hereto. State President, Frank W. Gentry, Jr., will be present to deliver the Association's comments and to respond to any questions concerning Assembly Bill No. 375 which may be directed to it.

Respectfully submitted,

DOUGLAS W. HOPKINS, Secretary

Board of Directors

Nevada Association of Land Surveyors

ENC

CC: NALS Board of Directors
Frank W. Gentry, Jr. (President, NALS)

DWH/lkn

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Prepared
by
NEVADA ASSOCIATION
OF
LAND SURVEYORS

March 19, 1975

NEVADA ASSOCIATION OF LAND SURVEYORS



C O M M E N T S

ASSEMBLY BILL NO. 375

EXPLANATORY NOTE: Brackets delete from present wording

Underline new wording or add to present

Comment No. 1

A. If allowed to prevail, the terms "record of survey", "Records of surveys" and "record of survey map", as contained in this Bill, will create serious conflict with NRS Chapter 625.340 through 625.370, inclusive.

(1) NRS Chapter 625 provides that a record of survey has a function NOT AT ALL RELATED TO THE ACT OF SUBDIVIDING LAND.

(2) The attempt to comply with NRS Chapter 625 and the CONFLICTING INTERPRETATION of "record of survey" in this Bill will create serious conflict. For example, a property owner wishing to cause a survey to be filed which would show substantive evidence of property lines, boundaries or corners NOT YET OF RECORD and being confused by the requirement of this Bill to file a TENTATIVE MAP (Refer to Page 4, Lines 5 through 9 and Page 4, Lines 21 through 24 as examples).

(3) The conflicting terms "record of survey", "records of surveys" and "record of survey map" appear in the following locations within the Bill:

| | |
|---------|---------|
| Page 1, | Line 13 |
| 2, | 28 |
| 4, | 8 |
| 4, | 19 |
| 4, | 38 |
| 4, | 43 |
| 5, | 8 |
| 5, | 11 |
| 5, | 13 |
| 5, | 47 |

B. It is the recommendation of the Nevada Association of Land Surveyors that the above pages of the Bill be revised to eliminate the conflict with "record of survey" as currently applied in NRS Chapter 625.

Comment No. 2

- A. This Bill would allow for an "engineer", a "registered civil engineer" or and "R. E." to perform those certain ACTS OF LAND SURVEYING which have been described in NRS Chapter 625 as being solely the responsibility of the registered land surveyor by virtue of the specific licensing required.
- B. It is the recommendation of the Nevada Association of Land Surveyors that the following portions of the Bill be revised:

Page 4, Line 25:

(b) A certificate by the [engineer or] surveyor responsible for the (par-

Page 4, Line 41:

purpose in the [engineering] surveying profession, the size and border of which shall

Page 5, Lines 21-22:

2. Any monument set by a registered land surveyor [or registered civil engineer] to mark or reference a point on a property or landline shall

Page 5, Lines 24-25:

of the surveyor [or civil engineer] setting it, each number to be preceded by the letters "R.L.S." [or "R.E.", respectively, as the case may be.] or,

Comment No. 3

- A. It is the recommendation of the Nevada Association of Land Surveyors that Page 4, Lines 10 through 15, inclusive be revised as follows:

[2. In this event, the governing body may require only such street grading and surfacing and drainage provisions as are reasonably necessary for lot access and local neighborhood traffic and drainage needs. It may also require such lot design, offsite access, street alignment and width, water quality, water supply and sewerage provisions, as are reasonably necessary.] 2. In this event, the governing body may require proof of water supply, proof of adequate sewage disposal, permanent non-exclusive ingress and egress easements and permanent utility easements.



NEVADA ASSOCIATION OF LAND SURVEYORS

R A T I O N A L E

of

RECOMMENDED REVISIONS

to

Assembly Bill No. 375

1. The term "record of survey" (vs) "parcel map"
 - A. The term "record of survey" should be reserved for the filing of a survey in which the subdivision of land is not the purpose.
 - B. Records of survey are defined in Chapter 625 and a specific purpose not relative to subdividing land.
 - C. Records of survey are properly utilized to place on record a plat which shows existing property lines and points, discrepancies in these lines and points, and informational data not necessarily previously recorded relative to the undivided land.
 - D. If the Bill were passed revising the term "parcel map" to "record of survey", the question arises how does one file a simple survey which does not divide land but its sole purpose is "definition". Surveys may be performed but not recorded because of the conflict.
2. Inclusion of the term "Engineer" relating to surveying responsibility:
 - A. Chapter 625 provides that only a surveyor duly licensed by the Nevada State Board of Registered Professional Engineers is so licensed and authorized to practice land surveying.

GUEST REGISTER

COMMERCE COMMITTEE

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DATE: 3/19

PLEASE
CHECK IF YOU
WISH TO SPEAK

| ADDRESS & NAME | REPRESENTING | PLEASE CHECK IF YOU WISH TO SPEAK |
|--|---|---|
| Robert E. Edmondson Real Estate Div. | A, G, | ✓ |
| C W RIGGAN | DOUGLAS COUNTY RECORDER NEVADA RECORDERS | ✓ |
| FRANK GENTRY | NEVADA ASSOC. OF LAND SURVEYORS | ✓ |
| Douglas W. Hopkins | NEVADA ASSOCIATION OF LAND SURVEYORS | |
| Walter L. Neitz | Nevada Association of Land Surveyors | |
| Richard W. Dunken | County of Clark | |
| Pete Kelley | New Retail Assn | ✓ AB 49 |
| Paul Rimmer | CARSON CITY | AB 375 |
| Ron Rudin | RON RUDIN REALTY CONSTR. CO | |
| GARY VAUSE | LAS VEGAS BOARD OF REALTORS | |
| RONN REISS | LANSFORD & LOUCH REALTY | AB 375 J |
| Sydney Money | GROBE REALTY. | |
| 865 - No. Eastman Ave James F. Hayes L.V. 89101 | Las Vegas Board of Realtors | ✓ |
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