

SENATE JUDICIARY COMMITTEE

MINUTES OF MEETING

MARCH 27, 1975

The meeting was called to order at 9:00 a.m., with Senator Close in the Chair.

PRESENT: Senator Close
 Senator Wilson
 Senator Bryan
 Senator Sheerin
 Senator Dodge
 Senator Foote
 Senator Hilbrecht

ABSENT: None

SB 202 Requires title insurance companies transacting escrow services to be licenced as escrow agents and places restrictions on escrow accounts.

Mr. Dick Rottman, Department of Commerce, Insurance Division, Mr. Mike Milner, Department of Commerce, Real Estate Division, and Mr. Gene Leverty, Chief Deputy, Commissioner of Insurance reviewed with the Committee the proposed amendments.

Sections 1, 2, 3 - no change

Section 4 - would establish different levels of responsibility for different escrow agents. The Commission would have discretionary authority as to the amounts of each bond for each escrow agent. Subsection 2 would give the commission the authority to establish a uniform form to be used.

Section 5 - no change

Section 6 - Senator Close suggested added "and procedures" to clarify this. Senator Dodge felt that the parties involved should be aware of the fact that the term "deposited herewith" does not necessarily mean the money is actually there.

Sections 7, 8, 9 - no change

Section 10 - Subsection 3 provides administrative fines in addition to suspension of the license. Senator Close stated that he did not feel \$500 would be adequate for a large escrow account. He and Senator Dodge suggested that \$5,000 and the right to use discretion would be more appropriate.

Sections 11, 12, 13, 14, 15, 16 - no change

Section 17 - The Committee felt that they may want to add some fiduciary language at a later point.

Sections 18, 19 - no change

Section 20 - This removes the exemption

Sections 21, 22, 23, 24 - no change

Section 25 - this provides appropriations for the funds necessary to establish this program.

Senator Bryan moved to "amend and rerefer"; seconded by Senator Hilbrecht and carried unanimously.

SB 344 Amends various provisions of takeover bid disclosure requirements relating to private corporations.

Mr. Bill Woodburn informed the Committee that this was an amendment to the 1969 Act and its intent was to put more teeth into the Act and to clarify

some definitions. He stated that he had discussed these proposals with the Secretary of State and that he had no objections. Under the present Act, there are no penalties for an officer who does not adhere to the provisions of 78-3771-1.

Mr. Woodburn reviewed the bill with the Committee:

Section 1 - provides penalties

Section 2 - reduces the required percentage from 10% to 5%. He feels that this will make Nevada more attractive to corporations from out of state.

Section 3 - establishes the definition of officer.

Section 4 - enlarges the definition of a trust.

Section 5 - refers again to the reduction of the percentage required.

In response to a question by Senator Sheerin, Mr. Woodburn stated that many large corporations "shop" for states which offer advantages of this type. He informed the Committee that "out of the ordinary course of business" referred to a concerted effort to take over another corporation.

In reviewed the bill further, Senator Close stated that this proposal would make it almost impossible to take over another corporation. Mr. Woodburn stated that this was the intent. He informed the Committee that this had been a scandalous problem in the 1960's with the power companies.

Senator Close felt that this would make it more difficult than even a proxy fight and it was his opinion that they should at least be on the same level.

Bill Swackhammer, Secretary of State, stated, in response to a question by the Committee, that he did not believe that this would require a fiscal note and that his office had no objections to the bill.

The committee withheld action at this time pending further testimony.

AB 271 Excepts Nevada National Guard from waiver by State of its sovereign immunity.

General Edsel and Major Tony Clark of the Air National Guard presented testimony before the Committee on this matter.

Major Clark stated that this will withdraw the State's waiver of sovereign immunity and provide some recourse to the State and its citizens in the event of damage.

Senator Dodge felt it was drafted too broadly and suggested that it be amended to read "No action can be broyght pursuant to NRS 41.301 against the State of Nevada, the Nevada Guard, or a member of the National Guard".

After a brief discussion, Senator Bryan moved to "amend and do pass"; seconded by Senator Foote and carried unanimously.

SB 379 Regulates political campaign financing.

Senator Bryan moved to rerefer this bill to Government Affairs; seconded by Senator Wilson and carried unanimously.

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AB 48 Removes \$10,000 limit on statutory homestead and from dwelling exemption and limits quantity of land in homestead.

Senator Close informed the Committee that the banks had no objections to the proposed increase.

Senator Foote moved to "amend and do pass"; seconded by Senator Bryan and carried unanimously.

SB 173 Enacts the Nevada Antitrust Act.

Senator Hilbrecht stated that he preferred a civil remedy to a criminal one. Senator Wilson stated that he had two areas of concern: 1) the private remedy and 2) the Attorney General creating a state crime. He suggested that the Attorney General be called in to discuss this further with them.

No action was taken at this time.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Cheri Kinsley
Cheri Kinsley, Secretary

APPROVED:

Mel Olloe Jr.

Senator Melvin D. Close, Jr., Chairman