

## MINUTES OF MEETING

MAY 8, 1975

The meeting was called to order at 8:00 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

AB 106 Requires confidentiality of customer records and information obtained by banks and savings and loan associations.

Assemblywoman Sue Wagner appeared before the Committee on this bill. She briefly reviewed the following sections:

Section 2 - establishes the intent of the bill which is to protect and preserve the confidential relationship between banks and their customers and the constitutional rights of these customers.

Section 3 - definition of customer, financial institutions.

Section 4 - establishes that no governmental agency requesting information on a customer can require the bank to comply with the legal process until 14 days after being served. In response to a question from Senator Close, Ms. Wagner stated that the 14 day figure was a purely arbitrary number supplied by the bill drafter.

Section 5 - requires the bank to make a "reasonable effort" to notify the customer of the subpoena and establishes what that 'reasonable effort' will be.

Section 6 - addresses itself to federal requests for disclosures.

Section 7 - establishes when it is unlawful for a bank to disclose financial records of a customer.

Section 8 - excludes from the provisions of this bill examination and auditing of business affairs of banks in accordance with state and federal laws. However, it does limit what that information can be used for.

Section 9 - provides civil remedies that a customer may take. Senator Bryan questioned the fact that it is the bank employee and not the bank that is liable in this situation. Mr. Wagner replied that it was not a particularly important point and that it would be amended if the Committee so desired.

Section 10 through the remainder of the bill is the same as Sections 1 thru 9 only they apply to savings and loan associations.

In discussing the bill, Senator Close stated that it was his impression that the original intent of the bill was to prohibit banks from disclosing information on customers to private individuals without due process. Ms. Wagner replied that she had not been able to do that because of strong opposition from the banks and because of federal regulations such as the Fair Credit Reporting Act. She stated that this bill came about when the Supreme Court upheld the bank Secrecy Act of 1970, which she feels is an extreme invasion of privacy.

Les Keofed, Director of Gaming Industry Association requested an amendment clarifying the definition of public officer or agency.

It was the general consensus of the Committee to amend the bill to provide that before any governmental agency obtains financial information on a customer they must first give proof to the bank that the individual involved has been notified that his records are being examined.

No action was taken at this time.

AJR 35 Memorializes Congress to enact legislation concerning casino dealers' tip income.

Senator Sheerin moved a "do pass"; seconded by Senator Bryan and carried unanimously. Senator Dodge was absent from the vote.

AB 101 Provides optional procedure for enforcing certain assessment liens with respect to condominiums and planned unit residential developments.

Gerry Lopez, Bill Drafter, in response to questions by the Committee, stated that liens for taxes imposed pursuant to Title 32 do not have a preference over any prior recorded lien by virtue of NRS 360.480. It does not give state tax liens priority over any priorly recorded lien. Additionally, he stated that this bill would not interfere with any Federal Housing Authority regulations.

Jack Libby, President of Southern Nevada Home Builders and Bob Weld, Executive Director, Southern Nevada Home Builders Association appeared in support of this bill. They felt that the condominium concept is just beginning to grow and that there is a definite need for legislation that would strengthen the home owners Associations.

In response to a question from Senator Dodge, Mr. Weld stated that the problem has been not knowing what their legal rights are and how far they can go in collecting assessment dues. Mr. Weld also informed the Committee that Mr. Gene Milligan, State Board of Realtors, wished to go on record in support of this bill.

In discussion by the Committee, Senator Sheerin stated that he felt there were more problems than with just liens; that there was also the question of foreclosures.

Senator Bryan agreed and stated that the most important aspect of this bill was that it provided a statutorily approved method of recording a lien.

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

SB 603 Increases rates for certain official advertising.

Senator Dodge informed the Committee that this bill was based on a letter from Bob Sanford of the Mason Valley News. Mr. Sanford feels that a raise in advertising rates is justified in view of spiraling inflation and the fact that there has been no increase since 1971. His suggested increase would be 40¢ for the first insertion, 30¢ for the second and 20¢ for any subsequent insertions. Senator Dodge stated that Mr. Sanford's request would cover only newspapers with a small circulation, however, he would not oppose a general increase for all newspapers.

Senator Dodge suggested making the increase optional for newspapers with a circulation of 12,000 or less. He further requested that the Committee withhold action until he has had an opportunity to discuss this with Mr. Sanford.

No action was taken at this time.

AB 582 Extends statutory trespass provisions to all fenced property.

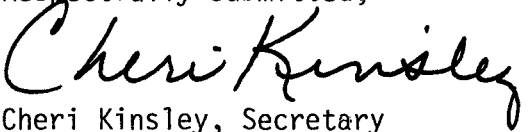
Bart Jacka, Metropolitan Police Department, informed the Committee that this bill was requested by his department in an attempt to curb the burglary problem in Las Vegas. He stated that at the present time, they are not able to apprehend an individual who gets into a fenced area, whether it be the airport or a residential area.

The Committee agreed with the principle of the bill, however, they felt there was a problem with the definition of "fence". After discussion, it was the decision of the Committee to amend the definition of "fence" to read "barrier sufficient to indicate an intent to restrict the area from human ingress". The intent of the Committee was not to define "fence" as a solid barrier to entry, but rather as a delineation of the boundary.

Senator Hilbrecht moved to "amend and do pass"; seconded by Senator Wilson and carried unanimously. Senator Bryan was absent from the vote.

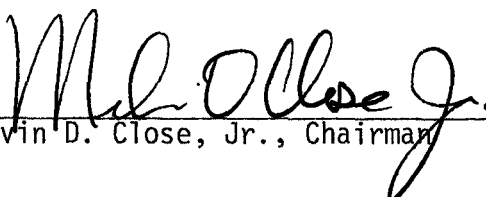
There being no further business, the meeting was adjourned.

Respectfully submitted,



Cheri Kinsley, Secretary

APPROVED:

  
Melvin D. Close, Jr., Chairman