

MINUTES

ASSEMBLY COMMERCE COMMITTEE

March 9, 1977

Members Present:

Chairman Harmon
Vice Chairman Mello
Mr. Demers
Mr. Barengo
Mrs. Hayes
Mr. Moody
Mr. Price
Mr. Sena
Mr. Weise

Guests Present:

See Guest List Attached

Chairman Harmon called the meeting to order at 3:15 p.m. Mr. Demers moved that the minutes of the meeting of March 7, 1977, be approved and seconded by Mr. Sena. All members present voted aye with the exception of Mr. Weise who stated he had not read them.

COMMITTEE ACTION

Assembly Bill 308: Mr. Weise moved Amend and Do Pass as Amended. Mr. Mello seconded.

Mr. Barengo moved to amend Mr. Weise's motion to Indefinitely Postpone. Seconded by Mr. Sena.
Aye votes: Barengo, Demers, Hayes, Moody, Price, Sena.
Nay votes: Harmon, Mello, Weise.
Motion carried.

Mr. Barengo moved to Indefinitely Postpone A.B. 308. Seconded by Mr. Sena.
Aye votes: Barengo, Demers, Hayes, Moody, Sena, Weise.
Nay votes: Harmon, Mello
Not voting: Price
Motion carried.

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Assembly Bill 341

Mr. George Flint, Nevada Wedding Chapel Association and owner of two wedding chapels, presented the committee with photographs showing the location of the office of Commissioner of Civil Marriages and the County Clerk's office in Las Vegas. Mr. Flint stated that A.B. 341 does two things--it amends the existing statute by separating the two offices of the license bureau in the County Court House in Reno and Las Vegas from the civil marriage commissioner; and it prohibits the steering or soliciting of weddings for commercial purposes to ministers, rabbis, justices of the peace or civil marriage commissioners.

Mr. Flint gave a brief background of how the office of commissioner of civil marriages came into being in 1969 to restrain justices of peace from obtaining personal income from marriages and instead have the fees go to the county. In the 6 years the office of commissioner of civil marriages has been in effect, the counties of Washoe and Clark have taken in approximately \$3.5 million.

The intent of this bill is to spell out physical separation between the marriage license bureau and the marriage commissioner. In Clark County there is only a 4-foot high planter between the two offices as shown in the photographs submitted. In Reno the offices are directly across the hall from each other.

Mr. Flint does not think there is any county policy or attempt on the part of the county commissioners or county clerks for these two offices to work together and such problem only arises between the employees who work for the two offices. The wedding industry feels that there is steering or hustling going on between the two offices as a result of the comraderie and friendship between county officials. Too many of the couples they send to the court house for a license do not return to the chapels even after they have established an appointment and made a deposit on the wedding.

Mr. Flint further discussed where the offices might be moved to separate them. He said that 500 feet was an arbitrary figure and could be subject to change. The wedding industry has discussed the problems of interfering with customers with the county clerks but the only answer seems to be to separate the offices. Mr. Clark does not think this separation would result in great loss of revenue for the counties.

Mrs. Hayes was troubled by the wording of Section 4, even though she understood the intent. Mr. Flint agreed it was probably worded incorrectly and should be changed.

Mr. Weise and Mr. Demers both questioned whether the counties

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should be in the marriage business at all.

Mr. Tom Moore, Deputy District Attorney for Clark County, said that their initial objection to the bill was the distance of 500 feet for the separation of offices, but Mr. Flint has said that is negotiable. The other objection Clark County had was Section 4 which was broad and vague. Mr. Moore is not prepared to speak as to whether or not the county should be taken out of the marriage business, but if a revenue source is to be taken away they should be given an alternative source of income.

Chairman Harmon appointed a subcommittee consisting of Mr. Price, Mr. Barengo and Mr. Sena to review the bill and check back with Clark County regarding discontinuing the marriage commissioner position.

Assembly Bill 339

Assemblyman Lonie Chaney appeared in support of the bill. This would prohibit an insurance company from using the Department of Motor Vehicles' record of demerit points for prior years as a basis for cancellation or nonrenewal of an insurance policy. This bill would only allow demerit points which have been accumulated during the current calendar year as a basis for such action. Mr. Chaney would like to see Nevada come in line with Oklahoma, Montana and Minnesota who have basically the same law.

Mr. Weise asked if Mr. Chaney would object if the bill were amended to specifically state that points shall not be issued for violations of the 55 mile an hour speed limit. It was agreed that Senator Dodge has such a bill pending and Mr. Sena also has requested a bill in this regard.

Mr. Bill Fitzpatrick, Chief of Drivers License Division, Department of Motor Vehicles, said that the bill would not affect the Department either way. He stated that insurers routinely request a driving record of licensees for the 3 years prior to the date of request. It has nothing to do directly with the demerit points as maintained by the Department.

Mr. Eddie Scott of Washoe County appeared in support of A.B. 339. People need transportation to maintain their jobs and can not afford insurance if rates are constantly being raised for nothing more than speeding violations.

Mr. Virgil Anderson, representing Triple A, appeared in opposition to A.B. 339. Some of the provisions of the bill may have some impact on availability of insurance because of the concern of carriers about taking on new risks.

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Mr. Dick L. Rottman, Insurance Commissioner, stated he did not wish to testify for or against A.B. 339. He suggested to the committee that there are going to be 3 or 4 bills on underwriting standards during this session and perhaps they should all be considered together.

Mr. Price asked Mr. Rottman if the Insurance Commission had the right to prohibit or regulate in any manner the amount that insurance companies could increase their rates based on an individual getting a ticket for driving over 55 miles per hour. Mr. Rottman said it was questionable and asked Mr. Jim Wadhams, General Counsel for the Insurance Commission, to give his views. Mr. Wadhams said they were trying to develop a system whereby they could tie in the rating concept with underwriting. There was general discussion regarding the 55 mph speed limit with relation to insurance costs.

Chairman Harmon announced that action on A.B. 339 would be taken later.

Assembly Bill 343

Mr. Rottman explained this bill was introduced for the purpose of providing a relatively harsh penalty in cases where employers collect insurance premiums from employees, for instance for group health insurance, and then do not remit those premiums to the insurance company. An employee could become ill and be under the impression he was covered by insurance when there is no coverage since the employer had not remitted the premium to the company.

There are not a great many of these cases, but there are enough that Mr. Rottman feels this legislation is necessary.

Assembly Bill 345

Mr. Rottman said this legislation was requested as a result of the legislative audit that was done in the insurance division. The legislative auditor felt that rather than having the funds remitted that the division receives on an escheat basis to the state in the manner it is now done, it should be done only once a year. It is primarily a bookkeeping matter.

Assembly Bill 344

Mr. Rottman informed the committee that the primary purpose of this bill is to include the members of the community and those members who are having services provided for them be able to sit on the board of these medical and dental service corporations. The basic thesis of these service corporations is that it is a non-profit organization, community sponsored and directed toward the community.

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Since these organizations are community oriented, the community should have some participation in the affairs thereof.

Mr. Rottman presented amendments to A.B. 344 which they felt would clarify the bill. A copy of the amendments is attached as Exhibit 1. There are two medical service corporations in Nevada, Blue Shield and Delta Dental, but Mr. Rottman anticipates that Blue Cross and others will come in. Mr. Rottman explained the amendments to the committee, and particularly stressed that NRS 695B.100 should be repealed in order to have a more competitive atmosphere.

Ann Hipps, representing the Nevada Nurses Association, stated the Association supports A.B. 344 as they feel it will decrease conflict of interest and increase community input into hospital, medical and dental services.

Mr. Rick Pugh, Washoe County Medical Society representative, read a letter from Dr. John Sande which stated that the Nevada State Medical Association opposes the passage of A.B. 344. The letter further stated that medical service organizations are frequently formed by the specific medical service professionals involved and passage of the bill would work to the detriment of those citizens who participate. These are highly specialized plans requiring the professional expertise of the medical and dental professions.

Mr. Clarence Hackerthorne, Executive Director of Nevada Blue Shield, stated that Paragraph 2 pertains directly to Nevada Blue Shield and they are opposed to this legislation on the basis that Blue Shield is a national organization with plans in all the 50 states and they were established on the basis that the majority of the governing body would be physicians. Under Blue Shield the doctors set up their criteria, they handle their own peer review, their utilization review. The Board is composed of 8 physicians and 4 lay members. Blue Shield strongly opposes the bill.

Dr. Donald Zundel, dentist practising in Reno, appeared in opposition to A.B. 344. He is on the Board of Directors of Delta Plan and reviewed the background of Delta Service Corporation. Dr. Zundel said they feel that the provisions of Section 3 of the bill effectively destroy the dental service corporations in Nevada. The system they now have where the Board of Directors is elected by participating dentists is satisfactory and to the benefit of the public.

Mr. Demers asked Mr. Rottman what his feeling would be if the committee were to grandfather in Nevada Blue Shield and Delta Dental. Mr. Rottman said that might be a reasonable approach.

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Dr. Zundel also stated that he would be agreeable to the grand-father clause for Delta.

Dr. Gary McLeod, dentist from Reno, opposed the bill in its present form.

COMMITTEE ACTION

Assembly Bill 343: Mr. Demers moved Do Pass, seconded by Mrs. Hayes. All members present voted aye with the exception of Mr. Weise who voted no. Motion carried.

Assembly Bill 344: Mr. Demers is to prepare amendments including those submitted by the Insurance Commission and the grand-father clause. The committee will then act on the bill.

Assembly Bill 345: Mr. Demers moved Do Pass, seconded by Mrs. Hayes. Unanimously carried.

The meeting adjourned at 4:40 p.m.

Respectfully submitted,

Jane Dunne
Assembly Attache

GUEST LIST

<u>NAME</u> (Please print)	<u>REPRESENTING</u>	<u>WISH TO SPEAK</u>	
		Yes	No
George FLINT	New Wedding Anniversary	X	
ROSS MURBERTSON			
Julius CONIGLIAIO -	FEDERATED FIREFIGHTERS		
BILL FITZPATRICK	A.M.V.	✓	
Tom Moore	Clark County	✓	
Bob BROADBENT	New Assoc of C.		
Eddie Scott		✓	
VIRGIL Anderson	AAA	✓	
DICK L. Rottman	Ins. Commission		
Jim Wadhams	" "		
Rick Pugh	Washor Co. Medical		
ANN Hipp s	New nurses Assn		
Clarence Hackertorne	" Blue Shield		
Dr. Donald Zundel			
D Gary McLeod			

Add to paragraphs 2 and 3 as follows:

2. . . . who are not physicians or
duly appointed representatives of the physicians . . .

3. . . . who are not dentists or duly appointed
representatives of the dentists . . .

Add a Sec. 2 as follows:

NRS 695B.100 is hereby repealed in its entirety.

Exhibit 1
Minutes of Mar. 9, 1977

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE
LEGISLATIVE ACTION

DATE March 9, 1977

SUBJECT A.B. 308

MOTION: Indefinitely Postpone

Do Pass Amend Indefinitely Postpone Reconsider

Moved by Barengo Seconded by Sena

AMENDMENT

Moved by Seconded by

AMENDMENT

Moved by Seconded by

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u> </u>	<u> x </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Mello	<u> </u>	<u> x </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Barengo	<u> x </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Demers	<u> x </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Hayes	<u> x </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Moody	<u> x </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Price	<u> x </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Sena	<u> x </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Weise	<u> x </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

TALLY: 7 2

Original Motion: Passed x Defeated Withdrawn

Amended & Passed Amended & Defeated

Amended & Passed Amended & Defeated

Attach to Minutes March 9, 1977
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE
LEGISLATIVE ACTION

DATE March 9, 1977

SUBJECT Assembly Bill 308

MOTION: Amend and Do Pass as Amended

Do Pass Amend Indefinitely Postpone Reconsider

Moved by Mr. Weise Seconded by Mr. Mello

AMENDMENT Move to Amend Mr. Weise's motion to Indefinitely
Postpone

Moved by Barengo Seconded by Mr. Sena

AMENDMENT

Moved by Seconded by

VOTE:	MOTION		AMEND		AMEND	
	Yes	No	Yes	No	Yes	No
Harmon	—	X	—	—	—	—
Mello	—	X	—	—	—	—
Barengo	X	—	—	—	—	—
Demers	X	—	—	—	—	—
Hayes	X	—	—	—	—	—
Moody	X	—	—	—	—	—
Price	X	—	—	—	—	—
Sena	X	—	—	—	—	—
Weise	—	X	—	—	—	—

TALLY: 6 3

Original Motion: Passed Defeated Withdrawn

Amended & Passed x Amended & Defeated

Amended & Passed Amended & Defeated

Attach to Minutes March 9, 1977
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE
LEGISLATIVE ACTION

DATE March 9, 1977

SUBJECT A.B. 343

MOTION: DO PASS

Do Pass Amend Indefinitely Postpone Reconsider

Moved by Demers Seconded by Hayes

AMENDMENT

Moved by _____ Seconded by _____

AMENDMENT

Moved by _____ Seconded by _____

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Mello	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Barengo	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Demers	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Hayes	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Moody	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Price	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Sena	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Weise	<u>---</u>	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>

TALLY: 8 1

Original Motion: Passed Defeated Withdrawn

Amended & Passed _____ Amended & Defeated _____

Amended & Passed _____ Amended & Defeated _____

Attach to Minutes March 9, 1977
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE
LEGISLATIVE ACTION

DATE March 9, 1977

SUBJECT A.B. 345

MOTION: DO PASS

Do Pass Amend Indefinitely Postpone Reconsider

Moved by Demers Seconded by Hayes

AMENDMENT

Moved by Seconded by

AMENDMENT

Moved by Seconded by

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Mello	<u>x</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Barengo	<u>x</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Demers	<u>x</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Hayes	<u>x</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Moody	<u>x</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Price	<u>x</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Sena	<u>x</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Weise	<u>x</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

TALLY:

Original Motion: Passed x Defeated Withdrawn

Amended & Passed Amended & Defeated

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