

SENATE
COMMERCE & LABOR
COMMITTEE

Minutes of Meeting
Monday, February 21, 1977

The meeting of the Commerce and Labor Committee was held on February 21, 1977, in Room 213, at 1:35 P.M.

Senator Thomas Wilson was in the chair.

PRESENT: Senator Wilson
Senator Blakemore
Senator Ashworth
Senator Bryan
Senator Young
Senator Hernstadt
Senator Close

ALSO Senator Gojack
PRESENT: Angus McLeod
Melvin Brunetti
William Geyer

The following bills were considered by the committee:

S. B. 61 REMOVES REQUIREMENT THAT PHARMACISTS PLACE CERTAIN
WARNINGS ON MEDICATION INTENDED FOR EXTERNAL USE
ONLY (BDR 54-651)

The first witness was Senator Gojack who stated that many dermatologists do not feel that in their case, it is necessary to have to put the warning label on ointments and salves, and anything for external use.

S. B. 122 AMENDS PROVISIONS RELATING TO REGULATIONS OF LAND
SALES (BDR 10-230)

The first witness was Mr. Angus McLeod, Administrator of the Division of Real Estate.

The beginning of the act starts with the definition of subdivision and he wanted that definition cleared up. Most of the land sales acts throughout the nation have the language of line 5 "whether contiguous or not". The Federal Act also has this language. Mr. McLeod stated that it would be easy for a developer to get out of the act by merely separating one parcel out of every 35.

He stated that the act now provides that if each and every lot in the subdivision is over 40 acres and less than 80 acres in size, no registration is required, and they merely review the advertising. The proposal is to eliminate that particular "Partial Exemption".

Mr. McLeod told the committee that there have been abuses to the law.

Regarding paragraph 10, he indicated that he did not want this in and had requested its deletion some time ago (lines 12-17). Stated the language is erroneous and should not be there. Further, there is another bill proposed which will bring time sharing into land sales.

SENATOR HERNSTADT asked if the division would have some control over time sharing. Mr. McLeod responded that they are attempting to, and that right now it is clear that they have the authority over time sharing where the fee is split.

On line 28 (free and clear exemption) he proposed to eliminate the exemption, stating that he does not think it goes far enough merely because there are no trustees on a subdivision, and although the purchaser has seen the property, many risks still remain. He stated the purchaser has no information as to whether the property can even be used (septic systems, building permits, etc.), and has no protection from promises by the developer.

On page 3, line 44, he stated that if a developer applies for a license and is denied, he has the right to appeal to the Director of the Department of Commerce, and then to the Real Estate Advisory Commission. Mr. McLeod indicated that he believes the right of appeal to the Real Estate Advisory Commission should cease as the board was not created by this law. Further, he stated, no other industry in the Department of Commerce has the appeal rights afforded land developers. Also, he said, the commission has not indicated any particular interest.

On line 12, page 6, he proposed to take out the balance of the sentence from the words "so provide, except". The law now reads that if a purchaser has seen the subdivision and intends to buy, and has read the property report before he buys, then there is no three day cooling off period. In

his opinion, the three day cooling off period should not be waived for anyone. He stated that usually the subdivisions are not completed at the time of purchase, and only have partial improvements in some cases, and none in others, and the purchaser really has not seen anything prior to the time he signs the contract. Secondly, he stated the subdivisions are still being sold in a high pressure manner.

Additionally, he proposes that "no subdivision of land situated outside this state which is to be offered or sold within this state" might be the better language for page 7, line 34.

He stated that the law presently reads that if there is a trust deed or a blanket encumbrance on the property, then the developer must do one of three things: (1) Put the funds into an escrow until the property can be deeded and released (2) Place the title in trust, and (3) Provide for subordination of the purchaser or release clauses for the benefit of purchasers. He proposed that the only method that be allowed be placing the title in trust.

SENATOR CLOSE indicated that he believed there were a number of bills in the Assembly and probably the committee should have joint hearings.

Mr. McLeod told the committee they have 65 lot sale companies registered. SENATOR HERNSTADT suggested that perhaps all 65 should be notified about this statute. He indicated that he might have some amendments regarding advertising as he was disturbed by some of the advertising the division had approved.

SENATOR CLOSE asked about page 6, line 12, - the cooling off period, and what the Federal law required. Mr. McLeod responded that the Federal law has a 48 hour cooling off period on all their properties. He was not sure if they have a waiver and stated he would have to check that out.

S. B. 126 CHANGES COMPOSITION OF NEVADA STATE BOARD OF ACCOUNTANCY
(BDR 54-678)

The first witness was Mr. Melvin Brunetti, Attorney, representing the Nevada State Board of Accountancy and the Nevada Society of CPA's. He introduced Mr. William Geyer to the committee.

Mr. Brunetti indicated that he had represented the board for 10 years and the volume of business for the board and regulations of profession had vastly increased. At present there are about 460 resident CPA's and 72 non-resident CPA's. He stated he was not sure what a non-resident was as he believes that you can be a non-resident after registration and come back into the State - and probably still practice in the state intermittently. These figures were good as of January 1, 1976, per his testimony.

Further, he indicated there were registered on that date, 64 public accountants.

He stated the only thing S.B. 126 does is enlarge the board by two members and provide that on April 1, 1978, the board will consist of six members of certified public accountants, and one public accountant. He stated the public accountants are a dying class, brought into the act in 1960. He stated to be registered as a public accountant you must pass the same examination as the certified public accountant and have the same requirements, so in effect, there is no longer a registered public accountant.

He indicated there had been a large influx of non-residents in the Las Vegas area, operating under a temporary practice provision which allows a temporary certificate. The policy of the board has been that they would like to know who is coming in and what they are doing. He states there is really no way to know this unless they come in for a temporary certificate - they have to appoint a resident agent.

He stated that problems had arisen under the board. Mr. Brunetti indicated they have a grievance committee which screens all the problems that are brought against licensed persons, and those problems are then recommended to the board for action. The board files complaints, and has formal hearings under procedures of the Administrative Procedure Act. Sometimes the board needs to split off and work with the grievance committee on a specialized problem, reducing the board in number at the time of final judgment.

Mr. Brunetti stated there is a companion bill (A.B. 278) which would place two general members of the public on the board. However, he indicated again, that the increase in membership is necessary to handle the additional work load. He stated the board is composed of accountants only due to the technical nature of the work.

Mr. Geyer, in response to a committee question, advised that they opposed AB 278, due to the fact that they needed individuals with a technical background to handle the work. He stated that in A.B. 278 all board members terminate their membership as of October 1, 1977.

SENATOR CLOSE suggested that perhaps S.B. 126 was in the wrong committee. SENATOR WILSON suggested Commerce and Labor hold S.B. 126 until they can see the disposition of A.B. 278 by Government Affairs.

SENATOR YOUNG moved that the bill be held.

SENATOR ASHWORTH seconded the motion.

Administrative meeting followed.

Action was taken on the following bills by the Commerce and Labor Committee on February 21, 1977:

S. B. 3 AUTHORIZES APPOINTING AUTHORITIES TO MAKE TEMPORARY LIMITED APPOINTMENTS OF HANDICAPPED PERSONS CERTIFIED BY NEVADA INDUSTRIAL COMMISSION (BDR 23-215)

Senator Bryan moved that S.B.3 be indefinitely postponed.

Senator Ashworth seconded.

Vote was unanimous.

S. B. 4 REPEALS PROVISION LIMITING PAYMENT OF INDUSTRIAL INSURANCE COMPENSATION FOR HERNIAS (BDR 53-216)

Senator Young moved to pass S. B. 4.

Senator Blakemore seconded.

Vote was unanimous.

S. B. 5 REQUIRES ACCEPTANCE OF TIME DEPOSIT CERTIFICATES FROM EMPLOYERS AS SUBSTITUTE FOR CASH PAYMENT OF INDUSTRIAL INSURANCE PREMIUMS (BDR 53-219)

Senator Ashworth moved to amend at line 20 changing the word "may" to "shall" and do pass.

Senator Bryan seconded.

Vote was unanimous.

S. B. 6 CLARIFIES REFERENCE TO ISSUING AUTHORITY FOR SUBPENA IN CASE INVOLVING INDUSTRIAL INSURANCE (BDR 53-220)

Senator Close motioned that the committee hold S. B. 6 pending Judiciary's determination of S. B. 152 presently before it.

Senator Ashworth seconded.

Vote was unanimous.

S. B. 7 EXTENDS INDUSTRIAL INSURANCE AND OCCUPATIONAL DISEASE COVERAGE (BDR 53-232)

Motion was made by Senator Ashworth to kill S. B. 7.

Senator Blakemore seconded.

Vote was 6 to 1 in favor of kill. Senator Hernstadt opposed.

S. B. 8 MAKES VARIOUS CHANGES TO NEVADA INDUSTRIAL INS. ACT
 (BDR 53-241)

Senator Ashworth moved to kill.

Senator Hernstadt seconded.

Vote of committee unanimous.

Committee noted that the irrevocability ought to be addressed by separate legislation. Chairman Wilson requested that Legislative Counsel Bureau be made aware - Senator Close will follow through.

S. B. 9 REQUIRES APPLICANT FOR CONTRACTOR'S LICENSE TO
 SUBMIT STATEMENT THAT HE HAS APPLIED FOR INDUSTRIAL
 AND OCCUPATIONAL DISEASE INSURANCE (BDR 54-243)

Senator Ashworth moved to indefinitely postpone.

Senator Blakemore seconded.

Vote unanimous.

S. B. 10 REVISES PROVISIONS ON OCCUPATIONAL SAFETY AND HEALTH
 BY ADDING POWERS OF REVIEW BOARD AND EXTENDING
 PROCEDURE FOR COLLECTION OF FINES (BDR 53-244)

Senator Bryan moved to hold pending S. B. 152.

Senator Blakemore seconded.

Vote unanimous.

S. B. 11 EXTENDS DEFINITION OF CASUAL EMPLOYMENT (BDR 53-288)

Senator Close moved that "20 days or part thereof each calendar quarter" be the amendment for S.B. 11, as well as the word "persons" instead of "men", and \$500.

Senator Hernstadt seconded.

Vote unanimous.

The committee further directed that the amendment should include Chapter 617 and 617.030.

S. B. 12 CLARIFIES NEVADA INDUSTRIAL COMMISSION'S RIGHT OF
 SUBROGATION (BDR 53-444)

Senator Ashworth moved do pass.

Senator Hernstadt seconded.

Vote 6 to 1, Senator Blakemore voted no.

S. B. 13 CREATE NEVADA INDUSTRIAL COMMISSION LABOR-
MANAGEMENT ADVISORY BOARD (BDR 53-445)

Mr. John Reiser (N.I.C.) spoke from the floor regarding this board.

Senator Ashworth moved that S. B. 13 be indefinitely postpone.

Senator Hernstadt seconded.

Vote 6 to 1 - Senator Wilson voted no.

S. B. 120 EXCLUDES CERTAIN SKI PATROLMEN FROM MANDATORY
INDUSTRIAL INSURANCE COVERAGE (BDR 53-322)

Motion was made to change "patrolman" to "patroller" and strike "his" on line 12 and do pass by Senator Hernstadt.

Seconded by Senator Bryan.

Vote was unanimous.

S. B. 59 LIMITS POWER OF LOCAL GOVERNMENTS TO ISSUE CONTRACTOR'S
LICENSES (BDR 54-477)

Senator Ashworth moved do pass, with amendment on line 3 to read "The provisions of this chapter shall not be construed to prevent the governing body of any county or incorporated city 'from' requiring a business license for each licensed contractor operating within the political subdivision issued for the purpose of obtaining revenue".

Seconded by Senator Young.

Vote was unanimous.

S. B. 121 PROVIDES FOR EXTENSION OF UNEMPLOYMENT COMPENSATION
BENEFITS TO PUBLIC EMPLOYEES (BDR 53-599)

Senator Close moved that the committee hold on this bill until they hear from Larry McCracken regarding some upcoming national legislation.

Seconded by Senator Ashworth.

Vote was unanimous.

S. B. 123 AUTHORIZES DIRECTOR OF COMMERCE TO APPOINT HEARING
OFFICERS. (BDR 18-225)

Moved by Senator Blakemore to continue for further hearing. (Mr. Melner and Real Estate people to be invited, as well as counsel.)

S. B. 123 Seconded by Senator Bryan.
(continued)

Vote unanimous.

S. B. 128 AMENDS CITIZENSHIP REQUIREMENTS FOR PROFESSIONAL
LICENSES TO INCLUDE PERSONS LEGALLY ENTITLED TO
WORK IN U.S. (BDR 54-337)

Chairman advised that there had been no discussion
or witnesses on this bill.

Senator Close moved that the committee should pass
the bill, and Sen. Wilson should confer with Mr. Daykin.

Senator Bryan seconded the motion.

Vote was unanimous.

S. B. 170 REVISES PROVISIONS ON OCCUPATIONAL SAFETY AND HEALTH
(BDR 53-221)

Senator Wilson moved that this bill be continued.
The committee decided that Messrs. Langley and Warren
(Nevada Bell) should be called back for further
testimony.

Senator Ashworth seconded.

Vote was unanimous.

S. B. 109 REQUIRES DESIGNATION OF BENEFICIARY OF MOTOR VEHICLE
INSURANCE SURVIVOR'S BENEFITS (BDR 57-293)

Senator Wilson indicated that he wished to defer
this bill until he can hear from Senator Sheerin
and from Mr. Virgil Anderson of AAA.

S. B. 127 CHANGES PROVISIONS CONCERNING NEVADA INSURANCE GUARANTY
ASSOCIATION (BDR 57-483)

Senator Bryan moved to process the bill with
amend and do pass with the understanding that the
Chairman show to Dave Guinan the amendments.

Senator Close seconded.

Vote was unanimous.

Mr. Rottman was instructed by the committee to furnish
Mr. Guinan a copy of proposed amendments offered to
committee by Virgil Anderson of AAA. Further, he
was asked to have Mr. Guinan call Chairman Wilson.

S. B. 129 INCREASES MINIMUM LIMITS OF MANDATORY MOTOR VEHICLE LIABILITY INSURANCE AND REQUIRES INSURERS TO OFFER NEW TYPE OF LIABILITY COVERAGE (BDR 43-287)

Senator Hernstadt moved that the committee retain the uninsured portion - section 1 and section 7, and to strike the balance, excepting the Daykin changes.

Seconded by Senator Close.

Vote was unanimous.

S. B. 137 LIMITS INSURER'S RIGHTS OF SUBROGATION UNDER MOTOR VEHICLE INSURANCE ACT (BDR 57-321)

Senator Blakemore moved that committee do pass with amendment to be reviewed with Mr. Galatz.

Seconded by Senator Young.

Vote unanimous.

Senator Bryan was instructed to call Mr. Galatz in Las Vegas and discuss the amendments with him.

S. B. 143 PROVIDES FAIR ACCESS TO FIRE INSURANCE COVERAGE (BDR 57-591)

Senator Ashworth moved do kill.

Senator Hernstadt seconded the motion.

Vote was 5 to 2 to kill. Senators Wilson and Young voted against kill.

S. B. 61 REMOVES REQUIREMENT THAT PHARMACISTS PLACE CERTAIN WARNINGS ON MEDICATION INTENDED FOR EXTERNAL USE ONLY (BDR 54-651)

Senator Hernstadt moved do pass.

Senator Ashworth seconded.

Vote was unanimous.

The following BRD's were considered for introduction:

BDR 54-999 REVISES POWERS AND MEMBERSHIP QUALIFICATIONS OF NEVADA REAL ESTATE ADVISORY COMMISSION.

Senator Young moved for introduction.

Senator Ashworth seconded.

Vote unanimous.

The following BDR's were submitted by the Nevada Trial Lawyers:

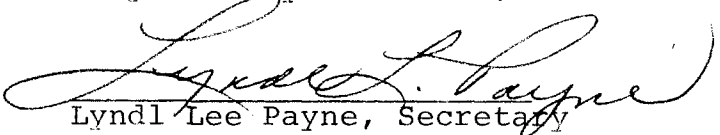
- BDR 53-716 MODIFIES HEARING PROCEDURES FOR COMPENSATION UNDER NEVADA INDUSTRIAL INSURANCE ACT AND ALLOWS CAUSE OF ACTION AGAINST NEVADA INDUSTRIAL COMMISSION UNDER CERTAIN SITUATIONS.
- BDR 53-833 ALLOWS BROADER COVERAGE OF HERNIA UNDER WORKMEN'S COMPENSATION LAW.
- BDR 53-835 MAKES NEVADA INDUSTRIAL COMMISSION RESPONSIBLE FOR COSTS OF DEPOSITIONS.
- BDR 53-832 CLARIFIES PROVISION ON DISABILITY COMPENSATION PAYABLE TO WORKMAN WHO SUFFERS SUBSEQUENT INJURY.
- BDR 53-831 REMOVES HEARINGS BEFORE NEVADA INDUSTRIAL COMMISSION FROM NEVADA ADMINISTRATIVE PROCEDURE ACT.
- BDR 53-828 ALLOWS ACTION BY EMPLOYEE AGAINST NEVADA INDUSTRIAL COMMISSION IF IT FAILS TO PROVIDE NECESSARY MEDICAL ATTENTION.
- BDR 53-836 PROVIDES BROADER INCLUSION OF TRAVEL AS EMPLOYMENT FOR PURPOSE OF WORKMEN'S COMPENSATION.
- BDR 53-837 REVISES DEFINITION OF ACCIDENT, INJURY AND PERSONAL INJURY FOR PURPOSES OF INDUSTRIAL INSURANCE.
- BDR 53-838 REDEFINES EMPLOYER FOR WORKMEN'S COMPENSATION PURPOSES.

Senator Hernstadt objected to committee introduction on the above nine BDR's.

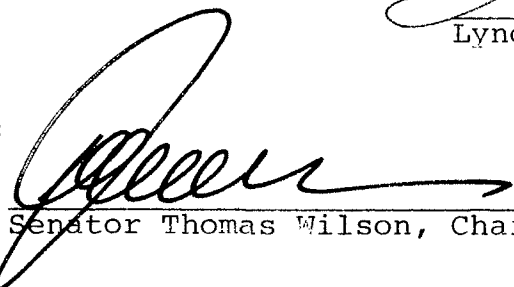
Senator Bryan seconded the objection.

Committee adjourned at 4:45 P.M.

Respectfully submitted,


Lyndl Lee Payne, Secretary

APPROVED BY:


Senator Thomas Wilson, Chairman

SENATE

HEARING

COMMITTEE ON..... COMMERCE AND LABOR
Monday
Date Feb. 21, 1977 Time 1:30 P.M. Room 213

Bill or Resolution to be considered	Subject
S. B. 61	Removes requirement that pharmacists place certain warnings on medication intended for external use only (BDR 54-651)
S. B. 122	Amends provisions relating to regulation of land sales (BDR 10-230)
S. B. 126	Changes composition of Nevada state board of accountancy (BDR 54-678)

SUMMARY--Revises powers and membership qualifications of Nevada real estate advisory commission. (BDR 54-999)
Fiscal Note: Local Government Impact: No.
State or Industrial Insurance Impact: No.

AN ACT relating to the real estate division of the department of commerce; removing the power of delegation from the Nevada real estate advisory commission; changing the qualifications for membership on the commission; and providing other matters relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND
ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 645.050 is hereby amended to read as follows:

645.050 1. A commission to be known as the Nevada real estate advisory commission is hereby created. The commission [shall consist] consists of five members appointed by the governor. [The governor shall obtain and consider a list of nominees from the Nevada Association of Realtors.]

2. The commission shall act in advisory capacity to the real estate division, [promulgate rules and] adopt regulations, approve or disapprove all applications for licenses, and conduct hearings as provided in this chapter.

[3. The commission may by regulation delegate any authority conferred upon it by this chapter to the administrator to be exercised pursuant to the regulations of the commission.]

Sec. 2. NRS 645.090 is hereby amended to read as follows:

645.090 Each member of the commission shall:

1. Be a citizen of the United States.
2. Have been a resident of the State of Nevada for not less than 5 years.
3. Have been actively engaged in business as a real estate broker or salesman within the State of Nevada for a period of at least 3 years next immediately preceding the date of his appointment.

GUEST REGISTER

COMMITTEE

DATE Feb 21, 1947

THOSE WISHING TO TESTIFY SHOULD IDENTIFY THEMSELVES BEFORE GIVING TESTIMONY.....

NAME	DO YOU WISH TO TESTIFY	BILL NO.	REPRESENTING
ALBERT CARLIDGE	YES	SB 126	NEV Soc of CPA's
JEVE HARTMAN	NO	SB 126	⁷⁷⁻³⁷⁶ NEV STATE Board of Accountancy
Mildred Gorman	NO	—	(written for Mary G. Jack)
E. WILLIAM GEYER	YES	SB 126	NEV STATE BOARD OF ACCOUNTANCY
MELVIN BRUNETTI	YES	SB 126	⁷⁷⁻³⁷⁵ NEV STATE BOARD OF ACCOUNTANCY
Raymond Hartson	NO	—	No one - general public
Jim Barnes	NO	—	—
Angus McLeod	Yes	122	Division of Real Estate
BMI Cozart	NO	—	NEV. Assoc. of REALTORS
Gene Milligan	NO	—	NEV. Assoc. of REALTORS
Ann M. Hobb	NO	SB 61	NEV Nurses Assoc.
Ellen Pym	no	SB 61	NEV. L.P.N. Assoc.
Margaret Denton	no	SB 61	NEV. L.P.N. Assoc.
Lillian J. Candee	NO	SB 61	NEV. L.P.N. Assoc.
TERESA BENNETT	NO	SB 61	NEV. LIC. PRACTICAL NURSES ASSOC.
BOB WARREN	NO	—	NEV. LEAGUE of CITIES
JOHN STUCKER	NO	—	CITY OF NORTH LAS VEGAS
Ben Goguch	yes	SB 61	—