

Members Present:

Chairman Hayes  
Vice Chairman Stewart  
Mr. Banner  
Mr. Brady  
Mr. Coulter  
Mr. Fielding  
Mr. Horn  
Mr. Malone  
Mr. Polish  
Mr. Prengaman

Members Absent:

Mr. Sena

Guests Present:

Sharon Alcamo	Department of Motor Vehicles
D. W. Foster	Nevada National Bank
David Hagen	Nevada National Bank
Barton Jacka	Department of Motor Vehicles
F. DeArmond Sharp	Security National Bank
Don Walcom	Security National Bank

Chairman Hayes called the meeting to order at 9:41 a.m.

WAIVER OF ASSEMBLY STANDING RULE 92

Mr. Stewart moved to formally suspend Assembly Standing Rule 92 for the rest of the Session; Mr. Malone seconded the motion. The Committee approved the motion on the following vote:

Aye - Hayes, Stewart, Banner, Brady, Coulter, Fielding,  
Malone, Prengaman - 8.

Nay - None.

Absent - Horn, Polish, Sena - 3.

SENATE BILL 262

Specifies certain rights and liabilities of lessor and lessee upon termination or expiration of lease of motor vehicle.

Mr. Sharp discussed the bill on a section-by-section basis. He said that Section 2 contained definitions. The language beginning on Page 1, Line 9 could be called the "anti-Huff" language, in reference to the Nevada Supreme Court case of Nevada National Bank v. Huff. He said that the last sentence of that subsection was a definition of a retail sale installment contract. In this subsection, he said that the vehicle lease definition was the most important part of the whole bill.

Mr. Sharp said that Section 3 of the bill created a new section in the statute regarding commercial leases. The language in this section was almost verbatim from the Federal law in regard to consumer leases. Section 4 discussed the penalties a lessor would suffer if he failed to handle disclosures properly. Section 5 contains the "Three-Payment Rule" in regard to a lessee's liability at the end of the lease. Section 6 contained the right to obtain an appraisal at the end of a lease period.

Mr. Sharp said that Section 7 would give a lessee some rights and protections in exchange for creating this new type of lease. It also provided for notice procedures at the end of a leasing period. Section 8 gives a lessee the right to submit a written bid for the vehicle he has leased.

Mr. Hagen said that there was a problem in the bill still, and he felt there should be an amendment to say that the lessee would get credit at the end of the leasing period for the highest bid that is submitted for the vehicle.

Mr. Sharp said that the sections of the bill pertaining to consumer leases would be effective on passage and approval and would include any leases terminating after the effective date. The sections regarding commercial leases will be effective on September 1, 1979, to give the leasing companies time to have forms prepared that will apply to commercial leases.

SENATE BILL 555

Repeals certain provisions relating to warrants issued for violation of written promise to appear in court.

Mr. Jacka said that statutes had been created in the last session in regard to violations of written promises to appear in court and the penalties that would apply. At that time, it was felt that this program could be self-supporting. He said that the judges were in arms due to the fact that they had to collect a \$10 fee in cases where a person's license was stopped for failure to appear.

Mr. Jacka said that it had been anticipated originally that there would be about 2,000 stops a month, and there would be 1,000 clearances each month. He said that from August, 1978, to April, 1979, only 6,340 stops had been placed with the Department of Motor Vehicles. During the same period of time, 2,051 clearances of those stops were taken. He said that this had resulted in collecting \$20,510 while incurring a cost of administration of \$59,908.

Mr. Jacka said that even though the program had been anticipated to be self-sustaining, the present budget request to continue the program was \$140,000 for the next biennium. He said this program has been found to be ineffective, and this

bill would be a repealer totally of the "Failure to Appear" program.

Mr. Malone asked what would take the place of this program. Mr. Jacka answered that there was nothing to replace the program except the issuance of a bench warrant.

SENATE BILL 262

Mr. Malone moved to Amend, and Do Pass S.B. 262 as Amended; Mr. Polish seconded the motion. The Committee approved the motion on the following vote:

Aye - Hayes, Stewart, Brady, Coulter, Fielding, Horn,  
Malone, Polish, Prengaman - 9.  
Nay - None.  
Absent - Banner, Sena - 2.

SENATE BILL 555

Mr. Stewart moved to Do Pass S.B. 555; Mr. Malone seconded the motion. The Committee approved the motion on the following vote:

Aye - Hayes, Stewart, Brady, Coulter, Fielding, Horn,  
Malone, Polish, Prengaman - 9.  
Nay - None.  
Absent - Banner, Sena - 2.

The meeting was adjourned at 10:45 a.m.

Respectfully submitted,

*Carl R. Ruthstrom, Jr.*

Carl R. Ruthstrom, Jr.  
Secretary