

Members present: Chairman Banner
Mr. Bennett
Mr. Bremner
Mr. Fielding
Mr. Rhoads
Mr. Robinson

Members absent: Mr. Brady
Mr. Jeffrey
Mr. Webb

Guests present: See attached list

Chairman Banner called the meeting to order at 3:06 p.m.

A.B. 203 - Increases maximum fee which private employment agency may charge for finding employment.

George Flint, representing the employment agency industry in the State, said this measure was suggested by a majority of the employment agencies in Nevada, to solve a drastic problem. This is the growing cost of operating the business. He suggests the change to allow raising the fee from 40 percent to 65 percent of the first month's salary. He pointed out the rising costs of advertising, office space, personnel increases and mandatory benefits contribution to NIC; including utility rates and insurance.

Mr. Flint stated many of the smaller agencies are being forced to close down because of these rising costs. He gave as an example Clark County, having 35 agencies operating four years ago; today only 13 have survived. In Washoe County and Carson City, 17 agencies have locked their doors permanently. There are only 9 agencies operating presently in northern Nevada.

Comparing Nevada's 40% fee with three other states -- Utah, California and Arizona -- Mr. Flint said Utah was the lowest, with its 85%, while the other two states charged at least 110% for the first month. A copy of Mr. Flint's testimony, along with the comparison figures, is attached to these minutes as Exhibit "A". Mr. Flint concluded his statement by challenging the committee to meet the need by voting a Do Pass on the bill.

Assemblyman Bremner asked how many jobs they have placed where the employer paid the fee. Mr. Flint called on Ed Parsons to answer the question.

Ed Parsons, Jr., of Snelling & Snelling, Reno, stated that because of the increased employer demand, his agency's experience was that 20 percent of fees were paid by the employers, as compared to a 1976 figure of about 4 to 5 percent.

Mr. Bremner, addressing Mr. Flint regarding the graduated fee -- where the more expensive the job, the higher the fee -- asked if the group would be satisfied with such an arrangement. Mr. Flint replied that the industry will be interested in anything that the committee can do to help them. He pointed out that in most states the figures are based on a year's total. Forty percent is 3.33% of the year's total. Sixty-five percent is 5.41% of the year's total. So, in reality, they are asking for a raise of over two percent of the year's total.

Chairman Banner explained that Mr. Bremner was trying to get something on the sliding scale; to work out something different other than the flat percentage. Mr. Flint said he is willing to sit down with anyone to do this, or come back with new figures.

Assemblyman Bennett expressed his feeling that they already have a good system with the built-in percentage. He feels it is the best system going, since there would be no problem even if the salaries go up. The fees normally would go up, thereby it balances itself out.

Chairman Banner asked that the sliding scale be explained.

John Spann, Las Vegas, pointed out that the sliding scale, if revised, will need to increase from 65% to 85%. He cited for an example the State of California, which sets a maximum 25% of the annual salary. He quoted figures from Snelling & Snelling of Stockton, California, showing the percentage of the annual fee ranging from a low 4-7% to a high of 15% of the annual salary. A copy of this schedule is attached to these minutes as Exhibit "B".

Mr. Flint commented that the feeling was that a sliding scale would only cause confusion.

Assemblyman Robinson commented on testimonies over these same bills for the last six years, regarding the one-shot fee. He said he gets confused, and asked what arrangements are made with the applicant when they are placed on a job; how fees are paid to the agency.

Mr. Flint showed a copy of a contract, wherein terms can be arranged through an interview. Copy of this contract is attached as Exhibit "C".

Shirley Campbell, High Sierra Employment Agency, explained their procedure on payment of fees. They ask the applicant when they accept the job for monetary payment. Depending on the individual's financial situation, they try to work out an arrangement. Sometimes they can work it out, even on a payday basis; sometimes even \$10 a week. She pointed out no one is obligated to take a job if they don't want it.

Mr. Robinson asked what happens if they leave the job in which they were placed, before they pay the fee. Ms. Campbell replied that if they are terminated they try to move them into another job. Then they give them credit for say, \$100, that was paid, if they are placed on another job. It will also depend on the cause of leaving the job.

Mr. Bennett asked what happens if he has not paid. Ms. Campbell replied the employee is protected by NRS 611. Mr. Rhoads repeated Mr. Bennett's query saying, legally, if he was employed 10 - 12 days, do you turn him in? Ms. Campbell replied he would be liable to 40% of his gross earnings for those first 10 days. This would be at the discretion of the agency. Legally, they can collect it.

Mr. Rhoads asked whether all the agencies charge the maximum fee. Ms. Campbell answered she really didn't know, but believes they probably do. Mr. Rhoads asked when was the last raise. Ms. Campbell said it was in 1975.

Mr. Bennett and Mr. Rhoads said the committee should request the Research Division for copies of the statutes of the other three states, to see what they have.

Mr. Robinson commented on the objections coming from Employment Security Department in previous years, pointing out that people can get jobs through the ESD without paying a fee. He said most of these bills originated from ESD because they felt they were at odds with the private employment agencies.

There being no further discussion, Mr. Bennett moved for adjournment, seconded by Mr. Rhoads, and passed. The meeting adjourned at 3:45 p.m.

Respectfully submitted,

Sylvia Mays
Sylvia Mays
Assembly Attache

Encls: Exh. A, B & C.

SEVERAL MONTHS AGO I WAS APPROACHED BY A SMALL GROUP OF EMPLOYMENT AGENCY OWNERS. THEY TOLD ME THAT THEY HAD A SERIOUS AND GROWING PROBLEM. LISTENING TO THEIR STORY AND THE DETAILS OF THEIR SITUATION, I WAS SOON PERSONALLY SOLD ON THE LEGITIMACY OF THEIR CLAIM.

I ALSO LEARNED THAT WITHIN THE ENTIRE FABRIC OF OWNERSHIP IN THIS SEGMENT OF PRIVATE ENTERPRISE THERE WAS ANOTHER VERY STRONG FEELING, ASIDE FROM THEIR MORE IMMEDIATE PROBLEMS. THIS FEELING WAS THE GENERAL ATTITUDE THAT THE ENTIRE CHAPTER OF OUR STATUTES DEALING WITH THE CONTROL AND OPERATION OF PRIVATE EMPLOYMENT AGENCIES IS VERY MUCH IN NEED OF REVIEW AND REVAMPING. THERE WERE MANY SWEEPING LEGISLATIVE CHANGES SUGGESTED TO ME. INCLUDED IN THESE WERE DRASTIC RATE CHANGES. THE INDUSTRY ALSO FAVORS THE EVENTUAL CONTROL OF THEIR INDUSTRY BEING SWITCHED FROM THE STATE LABOR COMMISSIONER'S OFFICE TO THE DEPARTMENT OF COMMERCE.

THESE CHANGES AND AMENDMENTS TO OUR EXISTING STATUTES COULD NO WAY BE MADE, I FELT, DURING A 90-120 DAY PERIOD. CHANGES STARTED TODAY COULD ONLY BE DONE WITH A VIEW OF 1981 IN MIND. IN THE MEAN-TIME, COULD THIS SMALL INDUSTRY SURVIVE? I BELIEVE IT COULD DO SO ONLY WITH THE HELP OF THE SIMPLE CHANGE THAT ASSEMBLY BILL 203 ADDRESSES ITSELF TO. THAT CHANGE TO ALLOW THE RAISING OF THE AMOUNT OF CHARGEABLE FEE FOR PROCURING AN EMPLOYMENT POSITION FROM THE PRESENT 40 PERCENT OF THE FIRST MONTH'S SALARY TO 65 PERCENT OF THE FIRST MONTH'S INCOME.

FRANKLY, AS I BEGAN TO ATTEMPT TO SELL, TO LOBBY IF I MAY, THE NEED FOR THIS CHANGE, I FOUND THAT THIS NEED WAS CONTINUALLY QUESTIONED. QUESTIONED EVEN AS I HAD PERSONALLY QUESTIONED IT WHEN FIRST APPROACHED. WHAT MAJOR PROBLEMS EXISTED, IN REALITY, THAT COULD MANDATE THIS NEED? THE PROBLEMS ARE SIMPLE: THE COST OF

ACTUALLY OPERATING THE BUSINESS ITSELF. I SUPPOSE THE WORD INFLATION HAS A TENDENCY TO BECOME, TO EACH OF US AT TIMES, ONLY A WORD AND NOT A FACT TO LIVE WITH AND TOLERATE!

THE FACT IS THAT OUR RAMPANT INFLATION HAS FORCED ALL THE HARD BOTTOM-LINE COSTS OF OPERATING A PRIVATE EMPLOYMENT AGENCY HIGHER AND HIGHER EACH MONTH. SINCE 1975, AS AN EXAMPLE, THE COST OF CLASSIFIED ADVERTISING IN RENO AND LAS VEGAS NEWSPAPERS (THE INDUSTRY'S CHIEF SOURCE OF SELLING ITS PRODUCT) HAS RISEN 42.2% ACCORDING TO FIGURES SUPPLIED ME BY THREE DIFFERENT RENO FIRMS. YELLOW PAGES ADVERTISING (ANOTHER IMPORTANT COST AREA FOR PRIVATE EMPLOYMENT AGENCIES) HAS ALSO RISEN IN EXCESS OF 40% DURING THE SAME PERIOD. CURRENTLY SIGNED LEASE RENEWALS FOR OFFICE SPACE HAVE ALSO RISEN AS MUCH AS 45% WITHIN THE LAST FIVE (5) YEARS. AND, EVEN MINIMUM WAGE INCREASES TO EMPLOYMENT AGENCY PERSONNEL ALONG WITH STATUTORY EMPLOYEE BENEFITS SUCH AS MANDATORY EMPLOYMENT SECURITY CONTRIBUTIONS AND NEVADA INDUSTRIAL COMMISSION EMPLOYER RATES HAVE ALSO TAKEN THEIR TOLL ON THE INDUSTRY'S INCOME BASE -- THE PRESENT 40% STATUTE LIMITATION. THIS DOES NOT TAKE INTO CONSIDERATION ALL THE OTHER MYRIAD EXPENSES THAT HAVE DRASTICALLY SKYROCKETED. I REFER TO UTILITY RATES, INSURANCE AND OTHER OPERATIONAL COSTS SUCH AS OPERATION OF MOTOR VEHICLES, THE PRICE OF PAPER GOODS, ETC.

ALL OF YOU ON THIS COMMITTEE ARE EITHER PRIVATE BUSINESSMEN YOURSELVES OR ARE HOMEOWNERS. YOU ARE WELL AWARE, I KNOW, THAT THE OPERATIONAL COSTS OF YOUR BUSINESS OR HOME OR BOTH ARE DRASTICALLY HIGHER NOW THAN 4 OR 5 YEARS AGO. AND, HOW ABOUT TWO MORE YEARS FROM NOW WHEN WE NEXT HAVE AN OPPORTUNITY TO COME BEFORE YOU, OUR LEGISLATORS.

THERE IS, ALSO, YET ANOTHER, AND POSSIBLY LARGER, PROBLEM

CURRENTLY FACING THIS SMALL INDUSTRY. THIS SECOND MAJOR PROBLEM I NOW ALLUDE TO IS THE "JOB MARKET PROBLEM", OR LACK THEREOF. NEVADA HAS THE SMALLEST UNEMPLOYMENT RATE IN THE NATION TODAY. JOBS ARE GOING BEGGING. HAVE ANY OF YOU PERSONALLY TRIED TO HIRE GOOD, CAPABLE, HELP LATELY? I AM SURE YOU HAVE SEEN THE INVITING ADS BEING RUN IN OUR NEWSPAPERS BY OUR STATE'S BIGGEST EMPLOYERS. ENTICING ADVERTISEMENTS BY GIANTS SUCH AS THE MGM, HARRAH'S, VALLEY BANK, ETC. THESE ADS PROMISE BENEFITS NEVER BEFORE OFFERED. BENEFITS SUCH AS PROFIT SHARING; INCENTIVE BONUSES; FREE MEDICAL, DENTAL AND EVEN OPTICAL CARE; FREE PARKING FOR EMPLOYEE VEHICLES; AND EVEN FREE TRANSPORTATION TO THE JOB SITE TO AND FROM THAT FREE PARKING. NORMAL BENEFITS SUCH AS SICK LEAVE, PAID VACATIONS, AND PENSION PROGRAMS HAVE ALMOST BECOME A TAKEN-FOR-GRANTED THING! IN SHORT, THERE ARE NOT AS MANY PEOPLE LOOKING FOR WORK. ONE OF THE AGENCIES I REPRESENT SHOWED A DROP IN APPLICANTS LOOKING FOR WORK FROM 1579 IN 1977 TO 949 IN 1978. THIS WAS A DECREASE IN POTENTIAL JOB PLACEMENTS OF 40%.

WITH MORE AND MORE JOB OPPORTUNITITES, ESPECIALLY IN NORTHERN NEVADA, EMPLOYERS FIND THEMSELVES COMPETING FOR JOB APPLICANTS. LIKEWISE, THE PRIVATE EMPLOYMENT AGENCY ALSO FINDS ITSELF WITH EVER RISING OPERATIONAL COSTS; AND, AS I HAVE ALREADY POINTED OUT, A VOLUME DROP OFF OF UP TO 40% IN TRAFFIC COMING TO THEM FOR EMPLOYMENT PLACEMENT. IN SHORT, MANY OF THE ESPECIALLY SMALLER AGENCIES ARE BEING FORCED TO CLOSE THEIR DOORS FOREVER. IN CLARK COUNTY FOUR YEARS AGO ONE COULD FIND NEARLY 35 DIFFERENT EMPLOYMENT AGENCIES IN OPERATION. TODAY ONLY 13 HAVE SURVIVED. IN WASHOE COUNTY AND CARSON CITY 17 AGENCIES HAVE LOCKED THEIR DOORS PERMANENTLY. PRESENTLY THERE ARE BUT 9 AGENCIES OPERATION IN NORTHERN NEVADA.

IT IS MY BELIEF THAT AT THIS POINT ONLY THE STRONGEST AND MOST PROFESSIONALLY ORGANIZED HAVE BEEN ABLE TO SURVIVE. I SERIOUSLY DOUBT THAT ALL OF THESE CAN CONTINUE TO SURVIVE THE NEXT TWO YEARS WITHOUT THE HELP OF AB 203. ONE OF THESE SURVIVING AGENCIES WHOSE TOTAL GROSS OPERATING INCOME FOR 1976 WAS \$83,146.00, SHOWED A DROP IN GROSS RECEIPTS FOR 1977 OF NEARLY 50% (DOWN TO \$44,903.00). I HOLD IN MY HAND COPIES OF THEIR FEDERAL INCOME TAX RETURN FOR YOU TO PERSONALLY EXAMINE IF YOU WOULD CARE TO DO SO. ALTHOUGH THEIR 1978 RETURN IS NOT YET COMPLETE, I AM TOLD THEIR RECEIPTS ARE DOWN ANOTHER 25% FOR THE TAXABLE YEAR 1978. THIS IS A FIRM THAT HAS OPERATED IN WASHOE COUNTY FOR TEN YEARS.

I JUST TALKED THE OTHER DAY BY PHONE WITH THE CHIEF COUNSEL OF THE NATIONAL ASSOCIATION OF EMPLOYMENT CONSULTANTS, MR. ROBERT STYLES, IN PHILADELPHIA. HE IS PERSONALLY KNOWLEDGEABLE AND VITAL-
LY CONCERNED ABOUT THE EMPLOYMENT AGENCY SITUATION HERE IN NEVADA. HE POINTED OUT TO ME THAT THERE ARE NOW 42 STATES WITH NO STATU-
TORY LIMITS IN THE FEE STRUCTURE SUCH AS WE HAVE HERE IN NEVADA. HE TOLD ME ADDITIONALLY THAT NEVADA HAS BEEN KNOWN NATIONALLY WITH-
IN HIS INDUSTRY AS A STATE WHERE MANY APPLICANTS HAVE BEEN PLACED, BUT WHERE THE AGENCIES MAKE A RELATIVELY SMALL AMOUNT OF MONEY; THIS DUE TO THE FEE STRUCTURE LIMITATION.

NOW THAT THE JOB MARKET IS IN A REAL STATE OF TURMOIL, AND AGENCIES ARE PLACING SO MANY LESS APPLICANTS, THESE AGENCIES ARE NOT ABLE TO DEPEND ON VOLUME TO COMPENSATE FOR THE SMALLER THAN AVERAGE FEE-PER-PLACEMENT CHARGE.

YET, EXPENSES AND THE CONTINUING INFLATED COST OF OPERATING EACH BUSINESS DAY IS THERE. AND, MOST INTERESTINGLY, NEVADA'S

EMPLOYERS CONTINUE TO SEEK THE HELP OF THESE AGENCIES FOR THEIR AVAILABLE POSITIONS. ONE RENO AGENCY OWNER TOLD ME HE HAD HUNDREDS OF JOB OPPORTUNITY OFFERS FROM EMPLOYERS TO PROCESS AND HANDLE. THESE JOB OFFERS ARE AN ADDITIONAL EXPENSE TO HIM TO HANDLE AND PROCESS. THEY ARE ONLY AN EXPENSE, RATHER THAN A PROFIT TO HIM, UNTIL HE FINDS TAKERS FOR THEM. OBVIOUSLY TAKERS ARE HARDER TO FIND IN THIS "JOB SEEKERS MARKET." THE EMPLOYMENT AGENCY OFTEN FINDS ITSELF WITH JOB OFFERS THAT REQUIRE MANY SPECIALIZED SKILLS AND JOBS THAT MANDATE STRANGE OR DIFFICULT HOURS. MORE AND MORE APPLICANTS ARE INTERESTED ONLY IN THE MOST IDEAL WORKING CONDITIONS (9 to 5, MONDAY THROUGH FRIDAY). MY POINT IS THAT THE AGENCY STILL HAS THE COST OF PROCESSING THE EMPLOYER'S REQUESTS WITH A CONSTANTLY DWINDLING AVAILABLE SOURCE OF APPLICANTS TO FILL THE MORE DIFFICULT, AS WELL AS LESS DESIRABLE, POSITIONS.

THE LARGER EMPLOYERS IN OUR STATE CAN OFTEN OPERATE THEIR OWN PERSONNEL DEPARTMENTS. ORGANIZED PROFESSIONS AND TRADES OFTEN HAVE THEIR UNION ORGANIZATIONS TO HANDLE JOB PLACEMENT. THE SMALL INDEPENDENT BUSINESSMAN HAS ONLY TWO PLACES TO TURN TO WHEN LOOKING FOR SOMEONE TO FILL A THURSDAY THROUGH MONDAY SWING SHIFT NIGHT AUDITOR'S JOB OR TRYING TO LOCATE A "PBX" OPERATOR WILLING TO WORK THE GRAVEYARD SHIFT. WHERE DOES SMALL BUSINESS GO WHEN ATTEMPTING TO LOCATE AN OUTDOOR MAINTENANCE MAN-GARDENER WILLING TO COPE WITH OUR LONG AND COLD WINTERS? THE EMPLOYER HAS THE CHOICE OF THE PRIVATE EMPLOYMENT AGENCY OR THE STATE "JOB SERVICES" DIVISION OF THE STATE OF NEVADA.

THOSE OF YOU IN PRIVATE ENTERPRISE KNOW WHICH OF THESE TWO CHOICES USUALLY PROVES MOST PRODUCTIVE. EVEN THE STATE OF NEVADA OFTEN GOES BEYOND THE EMPLOYMENT SECURITY DEPARTMENT'S "JOB SERVICES"

DIVISION AND TO VARIOUS PRIVATE EMPLOYMENT AGENCIES TO FILL JOBS. A RECENT EXAMPLE I MIGHT MENTION WAS THE PLACEMENT OF A COOK IN THE GOVERNOR'S MANSION BY ONE OF THE EMPLOYMENT AGENCIES. "JOB SERVICES" HAD BEEN UNSUCCESSFUL IN FINDING ACCEPTABLE APPLICANTS. THE STATE VOCATIONAL REHABILITATION PEOPLE, WITHIN THE N.I.C. OFTEN REQUIRE THE ASSISTANCE OF PRIVATE EMPLOYMENT AGENCIES FOR PERSONS THAT ARE CONSIDERED WORK READY OR REHABILITATED. THE STATE OF NEVADA PAYS THE AGENCY SERVICE FEE FOR THESE PERSONS.

YOU, I AM SURE, ASK, IF THE 40% OF TODAY'S WAGE IS NOT CONSIDERABLY MORE AGENCY REVENUE THAN THE 40% OF THE AVERAGE 1975 WAGE. IN MANY CASES YES IT IS, IN MANY CASES IT IS NOT. THE AVERAGE LEGAL SECRETARY STARTED IN 1975 AT A WAGE OF \$675.00. TODAY THAT SAME SECRETARY STARTS AT \$800.00. THE AGENCY FEE TODAY AMOUNTS TO AN ADDITIONAL \$50.00 MORE THAN THE FEE CHARGED IN 1975. THE WAREHOUSE-MAN AVERAGE WAGE TODAY AMOUNTS TO APPROXIMATELY \$730.00 A MONTH, COMPARED TO \$630.00 in 1975. THIS BRINGS THE AGENCY \$40.00 MORE FOR PLACING HIM THAN WAS RECEIVED IN 1975. THE AVERAGE TYPIST-RECEPTIONIST SALARY HAS INCREASED FROM APPROXIMATELY \$520.00 PER MONTH TO \$610.00. A PLACEMENT FEE CHARGE INCREASE OF APPROXIMATELY \$36.00. THESE THREE EXAMPLES ALL REFLECT A FEE INCREASE OF APPROXIMATELY 13% OVER THE 1975 FIGURES. HARDLY SUFFICIENT TO OFFSET THE PREVIOUSLY MENTIONED INFLATED COSTS OF DOING BUSINESS.

MR. CHAIRMAN AND COMMITTEE MEMBERS, YOU HAVE PATIENTLY LISTENED TO MY PRESENTATION. PLEASE ALLOW ME ONLY A LITTLE MORE TIME.

THERE IS AN ADDITIONAL, AND IMPORTANT, FACT REGARDING THIS SMALL BUSINESS. AT THE PRESENT TIME, EMPLOYEES WORKING WITHIN THE EMPLOYMENT SECURITY DEPARTMENT FOR THE STATE OF NEVADA ARE RECEIVING

AN AVERAGE SALARY WITH BENEFITS OF \$13,400.00 ANNUALLY. ~~_____~~
~~_____~~

IF THE CURRENT PAY PACKAGE REQUEST BEFORE THIS LEGISLATURE PASSES, THESE SAME STATE EMPLOYEES WILL BE RECEIVING A SALARY WHICH HAS SEEN A 68% INCREASE OVER THE BASE SALARY BEING RECEIVED BY EACH INDIVIDUAL EMPLOYEE AS OF DECEMBER 31, 1974. THIS WILL MAKE THE AVERAGE EMPLOYEE OF THE EMPLOYMENT SECURITY DEPARTMENT RECEIVE AN AVERAGE SALARY OF \$15,795.00, ANNUALLY, BY THE END OF THE NEXT BIENNIUM.

IN COMPARISON, THE AVERAGE WAGE EARNER WORKING IN A PRIVATE EMPLOYMENT AGENCY AT THE BEGINNING OF 1975 RECEIVED ANNUAL EARNINGS OF APPROXIMATELY \$7,400.00. THAT SAME INDIVIDUAL'S EARNINGS TODAY INDUSTRYWIDE WILL REACH AN AVERAGE OF \$9,200.00. OR, AN INCREASE OF SLIGHTLY LESS THAN 19% OVER THE PAST FIVE YEARS. THAT REPRESENTS A FAR CRY FROM THE 68% INCREASE STATE EMPLOYEES WILL HAVE RECEIVED IF YOU APPROVE THE CURRENT WAGE PACKAGE REQUESTED. THE BOTTOM LINE OF THIS REFLECTS STATE EMPLOYEES WORKING IN JOB PLACEMENT WITH EARNINGS PAID FROM STATE AND FEDERAL TAX MONEY WILL RECEIVE SALARIES 70% GREATER THAN THOSE CURRENTLY PAID TO EMPLOYEES IN THE PRIVATE SECTOR OF THE JOB PLACEMENT INDUSTRY.

MR. ROBERT GAGNIER OF THE STATE OF NEVADA EMPLOYEES ASSOCIATION INFORMS ME THAT EVEN IF THE PROPOSED WAGE PACKAGE FOR STATE EMPLOYEES PASSES INTO LAW, THEY WILL STILL BE RECEIVING 2.6% LESS THAN WOULD BE NECESSARY TO KEEP EVEN WITH THE CURRENT U.S. DEPARTMENT OF LABOR CONSUMER PRICE INDEX FOR JANUARY 1, 1979. I BELIEVE THIS PROVES WITHOUT QUESTION THE NECESSITY FOR THE PRIVATE SECTOR TO BE ABLE TO CHARGE A NEW AND HIGHER FEE FOR THEIR SERVICE. WITHOUT AB 203, THERE WILL PROBABLY BE NO NOTICEABLE RAISES FOR THE EMPLOYEES OF THE EXISTING 20 AGENCIES OPERATING WITHIN OUR PRIVATE ENTERPRISE SYSTEM. WHAT DOES THIS FACT SUGGEST? WHAT IF WE SHOULD

LOSE ANOTHER THIRD OR HALF OF THE AGENCIES NOW EXISTING? PROBABLY THE ONE OBVIOUS THING IS THAT THE EMPLOYMENT SECURITY DEPARTMENT WOULD BECOME AN EVEN BIGGER GIANT. WITH ALREADY NEARLY 800 EMPLOYEES SUPPORTED BY TAX DOLLARS, THIS HARDLY SEEMS THE LOGICAL CHOICE IN LIGHT OF THE ATTITUDES OF THE ELECTORATE REGARDING QUESTION SIX.

SETTING OUR REQUEST ASIDE, AB 203, WILL DO NO MORE THAN ADD AN ADDITIONAL DEATH-BLOW AGAINST ANOTHER OF AMERICA'S SMALL BUSINESSES. THE MORE THAT CAN BE DONE BY PRIVATE EMPLOYMENT AGENCIES, THE LESS GARGANTUAN THE EMPLOYMENT SECURITY DEPARTMENT HAS TO BE.

IN CONCLUSION, LET ME SAY THANK YOU, AND BRIEFLY OUTLINE THIS FINAL POSITION. WHEN AB 203 ORIGINALLY SURFACED YOU, AS A COMMITTEE, AGREED TO CONSIDER IT, EVEN THOUGH YOU ADMITTEDLY DID NOT ALL HAVE AN APPETITE FOR IT! FOR THIS I SINCERELY THANK YOU. MANY OF YOU KNOW I DON'T QUICKLY BUY OR ENDORSE EVERY CAUSE THAT COMES ALONG. THE MORE I'M EXPOSED TO THIS GROUP'S PROBLEMS, THE MORE I REALIZE THEIR NEED FOR YOUR HELP. HELP THAT ONLY THE PASSAGE OF AB 203 CAN BRING. IT IS IMPORTANT TO POINT OUT THAT THE PASSAGE OF THIS BILL WILL COST NO ONE BUT THE CONSUMER THAT CHOOSES TO USE THE PRODUCT (THE SERVICE) THE AGENCY OFFERS. I BELIEVE IT IS SAFE TO SAY THAT THE CONSUMER PAYS MORE TODAY FOR EVERYTHING HE USES THAN HE DID FIVE YEARS AGO. AND, THIS IS A SERVICE THAT VERY WELL MAY NOT BE AVAILABLE WITHOUT THIS FEE STRUCTURE CHANGE.

YOU HAVE HONORED MY PERSONAL FAITH IN THIS NEED BY YOUR WILLINGNESS TO CONSIDER AB 203. I CHALLENGE YOU TO MEET THE NEED BY VOTING A DO PASS ON THE MEASURE.

MR. CHAIRMAN AND COMMITTEE MEMBERS, THANK YOU VERY MUCH!

In Nevada Presently:

At 40% rate an \$800.00 mo. position carries a \$320.00 fee
 65% proposed \$800.00 mo. " " \$520.00 fee

Comparisons:

Arizona Scottsdale Agency

\$800.00 mo..... \$890.00 fee
 110% of 1st month

California Sacramento Agency

\$600.00 mo..... \$605.00 fee-100% 1st mo
 \$840.00 mo..... \$907.00 fee-107-1/2% 1st m
 \$1500.00 mo..... \$1800.00 fee-120% 1st m

Utah Salt Lake City Agency

\$665.00 mo..... \$560.00 fee-85% 1st mo.
 \$1040.00 mo..... \$1125.00 fee-110% 1st m
 \$1250.00 mo..... \$1500.00 fee-120% 1st m

SCHEDULE OF SERVICE CHARGES - (SEE GUARANTEE BELOW)

THESE RATES APPLY TO POSITIONS LASTING MORE THAN NINETY (90) DAYS AND THEY ARE BASED UPON THE FOLLOWING SCHEDULE: UP TO AND INCLUDING:

GROSS YEARLY PROJECTED* EARNINGS	SERVICE CHARGE			GROSS YEARLY PROJECTED* EARNINGS	SERVICE CHARGE			GROSS YEARLY PROJECTED* EARNINGS	SERVICE CHARGE		
	MAXI-ZOF MUM AMT	ZOF YRLY GROSS	ZOF MTHLY GROSS		MAXI-ZOF MUM AMT	ZOF YRLY GROSS	ZOF MTHLY GROSS		MAXI-ZOF MUM AMT	ZOF YRLY GROSS	ZOF MTHLY GROSS
\$2340	\$110	4.7	56	\$5460	\$370	6.8	81	\$ 8580	\$715	8.3	100
2600	130	5.0	60	5720	395	6.9	83	8840	750	8.5	100
2860	150	5.2	63	5980	420	7.0	84	9100	785	8.6	100
3120	170	5.4	65	6240	445	7.1	86	9360	820	8.8	100
3380	190	5.6	67	6500	470	7.2	87	9620	855	8.9	100
3640	210	5.8	69	6760	500	7.4	89	9880	890	9.0	100
3900	230	5.9	71	7020	530	7.5	91	9999	995	10.0	120
4160	250	6.0	72	7280	560	7.7	92	10,999		11.0	130
4420	270	6.1	73	7540	590	7.8	94	11,999		12.0	140
4680	295	6.3	76	7800	620	7.9	95	12,999		13.0	150
4940	320	6.5	78	8060	650	8.1	97	13,999		14.0	160
5200	345	6.6	80	8320	680	8.2	98	14,000 & over		15.0	180

*PROJECTED EARNINGS EQUALS RATE PER HR., DAY, WEEK, MONTH, ETC., COMPUTED TO 40 HR. WEEK, 4-1/3 WEEKS PER MONTH, 52 WKS. PER YR., 12 MOS. PER YEAR.

THE SNELLING & SNELLING GUARANTEE

WE GUARANTEE THAT, IF EMPLOYMENT UNDERSTOOD TO BE PERMANENT TERMINATES IN 90 CALENDAR DAYS OR LESS, THE SERVICE CHARGE WILL BE REDUCED TO 1/90 OF THE FULL CHARGE PER CALENDAR DAY OF THAT EMPLOYMENT EXCEPT AS FOLLOWS:

- (A) THE SERVICE CHARGE WILL NOT EXCEED 50% OF GROSS EARNINGS UNLESS APPLICANT LEAVES TO ACCEPT ANOTHER POSITION. IN THAT CASE, THE SERVICE CHARGE BECOMES THE LESSER OF: (1) TOTAL GROSS EARNINGS, OR (2) 1/90 OF THE FULL SERVICE CHARGE PER CALENDAR DAY OF EMPLOYMENT.
- (B) THERE IS NO CHARGE FOR EMPLOYMENT UNDERSTOOD TO BE PERMANENT BUT WHICH TERMINATES IN 7 CALENDAR DAYS OR LESS UNLESS APPLICANT LEAVES POSITION TO ACCEPT ANOTHER. (SEE A(1) ABOVE)

OTHER CONDITIONS

SERVICE CHARGES ARE DUE IN FULL UPON ACCEPTANCE OF EMPLOYMENT EXCEPT THAT BUDGET PLANS MAY BE ARRANGED UPON APPROVAL OF CREDIT.

"IF THE APPLICANT PAYING A CASH DEPOSIT FAILS TO OBTAIN EMPLOYMENT, THE EMPLOYMENT AGENCY SHALL, UPON DEMAND, REPAY THE AMOUNT OF THE DEPOSIT TO THE APPLICANT. UNLESS THE DEPOSIT IS RETURNED WITHIN 48 HOURS AFTER THE DEMAND, THE EMPLOYMENT AGENCY SHALL PAY TO THE APPLICANT AN ADDITIONAL SUM EQUAL TO THE AMOUNT OF THE DEPOSIT." (SEC. 9977 BUSINESS & PROFESSIONS CODE)

"IN NO INSTANCE SHALL THE FEE CHARGE AN APPLICANT BE GREATER THAN THE TOTAL GROSS EARNINGS IN SUCH EMPLOYMENT." (SEC. 9974.3 BUSINESS & PROFESSIONS CODE.)

"THE APPLICANT SHALL BE RESPONSIBLE FOR ONE FULL FEE FOR ANY SINGLE PLACEMENT WHETHER OR NOT EMPLOYMENT IS SECURED THROUGH THE ASSISTANCE OF MORE THAN ONE EMPLOYMENT AGENCY." (SEC. 9975 BUSINESS & PROFESSIONS CODE.)

**HIGH SIERRA EMPLOYMENT AGENCY
CONTRACT & AGREEMENT**

EXHIBIT "C"

(This is a legal contract, read carefully)

I hereby contract High Sierra Employment Agency to assist me in obtaining employment. I promise to pay a sum not to exceed 40% of the first months gross earnings. This service charge becomes due and payable upon my acceptance of a position. Should the employment last less than seven (7) full working days by reason of discharge, there shall be no fee.

I understand that I am not obligated to accept any employment that you refer me to and I assume no financial obligation unless I accept a position made available to me through the services of this agency. Acceptance means either verbal or written acknowledgement of employment between an employer and myself. The terms, conditions, salary and starting date.

ALL INFORMATION FURNISHED BY THIS AGENCY IS CONFIDENTIAL. A placement of another person, as a result of my breach of such a confidence, will make me liable for their fee. If a prospective employer to whom I have been referred to by this agency, should refer me to another firm or employer, with a position available and I accept the position, it will be deemed that such employment will be due to the efforts of High Sierra Employment Agency, and I hereby agree to pay the fee due this agency as set forth above. If an employer agrees to pay the fee, and fails to do so, I understand and agree that the responsibility becomes mine to fulfill.

TERMS: Terms can be arranged with your counselor at the time of interview.

NOTE: If the undersigned fails to pay the agency fee on schedule as agreed upon and court action or services of a collection agency become necessary, I agree to pay an additional charge of fifty dollars (\$50.00).

I the undersigned acknowledge that I have had reasonable explanation of the agency contract and laws by the agency, or its representatives.

I hereby warrant that the facts stated in this application are true.

B.J. CAMPBELL
OWNER

_____ By _____
Date Signed

REFERENCES - PERSONAL OR BUSINESS - PLEASE LIST (2) Names, Address and Phone Number

CREDIT REFERENCES

(1) _____

(2) _____

BANK:

CHECKING

SAVINGS

MASTER CHARGE

OTHER:

Do not Write Below This Line

DATE	COMPANY REFERRED TO	INTERVIEWER	DATE & TIME	RESULTS

TEST RESULTS

FINAL RESULTS OF SERVICE

LOCAL PLACES APPLICANT HAS CONTACTED

TYPING
SH... HAND
APTITUDE
MANUAL DEXTERITY

LIST THEM

THIS APPLICANT HAS BEEN
PROFESSIONALLY SCREENED
& TESTED FOR

HIGH SIERRA EMPLOYMENT AGENCY

1280 Terminal Way
Suite 39
Reno, Nevada 89502

Date

Counsellor

Last Name (please print)			First	Middle	Home Phone No.		Position Desired			Min - S	
Street Address					Relative's Phone		Date of Birth			Place of Birth	
City			State		Zip Code		Soc. Sec. #		Spouse's Name & Occupation		
Height	Weight	Married	Single	Div. Sep.	Home/Apt	Driver's License Number		Car	Year	Make	Physical Disabilities
High School			From	To	Courses and Degrees			Dependents & Ages		Who cares for children	
College								Police Record		Military Record	
Special Education								Hobbies		What source did you hear of us?	

SKILLS – PLEASE CHECK ALL ITEMS AND EQUIPMENT THAT YOU CAN OPERATE

	Typing Experience		Machine Experience		Bookkeeping Experience		Others	
Typing - Manual	Executive		Comptometer		Full Charge		Computers	
Typing - Electric	Selectric		Calculator		Assistant		N C R	
	Statistical		Adding Machine		Acct P/R		I B M	
Stenography	Teletype		Billing Machine		Payroll		Burroughs	
	Dictaphone		Key Punch		General Ledger			
Speed Writing			Addressograph		Machine		Centrex	
					Hand Posting		P B X	

DATES	Employer & Address Give last position first	Type of Business	Position Held Supervisor's Name	SALARY	Reason for Leaving
From					
To					
From					
To					
From					
To					
From					
To					

Counsellor's Remarks