

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

Members absent: Mr. Brady
Mr. Bremner
Mr. Webb

Guests present: See attached list

Chairman Banner called the meeting to order at 3:10 p.m.

A.B. 565 - Prescribes periods within which employees in private employment must be paid.

Claude Evans, secretary-treasurer of Nevada AFL-CIO, said the bill does not say what they had intended and wishes to write amendments to it before presenting it to the Committee. However, Mr. Morani, who could only be present this day, wanted to explain the bill.

Joseph A. Morani, president of Local 845, Machinists Union in Las Vegas, said the problem was that a majority of the working people in the state would like to be paid once a week. He said that the federal government pulls out more money from a two-week paycheck, and this money, even if the employee gets it back at income tax time, could use it right now.

Mr. Evans explained that the intent of the bill was to avoid the 30 days before a person gets paid. They would like to reduce that to 3 weeks after a person goes to work.

Robbins Cahill, Nevada Resorts Association, said they finally have a bill they can agree with. But if it is going to be amended they may not be able to agree with it. He said if it is amended to mandate people be paid once a week, then the drastic change will present problems on accounting systems, data processing, and so forth.

John D. Taylor, MGM-Las Vegas, casting a dissenting opinion, said he would like to see a flow chart because he is concerned about fragmenting the existing bi-weekly payroll. He thinks this bill will not accomplish what the proponents are seeking.

Mr. Evans explained the bill did not do what was intended, and would like to prepare an amendment, then bring it back to the Committee.

A.B. 564 - Clarifies compulsory industrial insurance of musicians.

Mark Tully Massagli, president of the Nevada AFL-CIO, and president of the musicians union of Las Vegas, testified in favor of the bill. He remarked on the statutes prevailing now, that the only musicians that are covered mandatorily under NIC are those who work in House orchestras, people who are there on a year-round basis. It excludes musicians working in lounge areas. He feels there should be protection for all musicians, with the exception of those whose services do not last more than two consecutive days, not recurring for the same employer, for weddings, private parties, and miscellaneous engagements. He feels it is a protective cover for both employers -- contractors or producers -- and the employee.

Chairman Banner asked who does the musician work for when he goes out, whether it is the contractor, the band leader, or the person who employs the band.

Mr. Massagli replied that is a subject of litigation that is currently pending. There is a dispute going on as to who is the employer of these lounge musicians. Until there is a firm determination, the answer will not be ready. Right now the union's position is that they are employees of the hotel, he said. Management's position is, that they are not. This bill says that they be mandatorily covered by their employer. So it wouldn't matter if it was an independent contractor, a subcontractor, an independent producer or promoter. It says, whoever their employer might be, they must be covered. He feels it is not incumbent upon the Hotel to cover somebody that would not be their employee.

Chairman Banner inquired how a musician is paid. Mr. Massagli replied it is done this way: the hotel will contract with a leader of the band. The hotel will cut one check to the leader of that band. That check will include an amount equal to 10% in addition to whatever the scale was, for that leader to handle state, federal tax obligations, and workmen's compensation. He said they just want to nail it down so that when the hotel relieves itself of the obligation that that person receiving the funds then has the obligation to cover those employees.

Mr. Massagli said they are awaiting a determination by the National Labor Relations Board on whether the hotel is the employer, and if it is they put these people under direct payroll. If the decision is that the band leader is the employer, then he would be the one responsible for making that remittance.

Chairman Banner asked how many people in the Las Vegas area are involved. Mr. Massagli replied there might be 275 to 300 people affected.

Mr. Robinson inquired if he had any idea what sort of claims they have, or if there had been any accidents. Mr. Massagli replied the accidents had not been frequent, but that the main concern is who will be ultimately responsible if and when that accident occurs. And because there is no mandatory coverage, they don't get claims, or don't hear about them.

Mr. Robinson asked if they have any health or accident plan in the union. Mr. Massagli said they have a health and welfare plan which they participate in in the culinary insurance. This does not cover an industrial accident, but covered by workmen's compensation.

Robbins Cahill, Nevada Resorts Association, said whether they are employees of the hotel or whether they are employees of the band leader, that they have a provision. He said they have no objections to the lounge musicians being handled in the same manner.

Joe Buckley, manager of industrial relations for Summa Corp., said the members of the Nevada Resorts Association take the position that these are not employees of the hotel. They are employees of the contractor; that they do business with the contractor, therefore they are not covered by the master musicians contract. He feels it is inappropriate to change the law at this time. He does not agree with Mr. Massagli that there is no way of taking care of them. He feels they are being taken care of now by the provision in the personal services contract which requires them to remit the payroll taxes to NIC in behalf of the employees. He also feels undoubtedly they are paying in to the musicians health and welfare payments to the unions.

Mr. Robinson asked who does the setting of the federal taxes and unemployment for these people. Mr. Massagli replied it is the band leader.

Chairman Banner said the law exempts him from paying workmen's compensation, even if the leader or contractor pays federal, state and unemployment taxes.

Both Messrs. Massagli and Cahill said they have no objection to the persons being covered, but they just don't want them looked upon as employees of the hotel.

Chairman Banner remarked that this bill has merit, and that it can be amended so that these things can be cleared up.

Ed McGoldorick, secretary-treasurer of the Reno musicians, said there are many musicians who are not covered right now. He said the money is available but is not going to the coverage where it should be.

Mr. Robinson remarked that in the construction trades, even if the contractor is not carrying NIC coverage for the employee, that there is a special contingency fund in NIC for employees who are supposed to be covered. They are not exempt but were not covered due to deliberate negligence of the employer. Between now and until we get a bill to cover, wouldn't these musicians be covered somehow, he asked.

Chairman Banner said they would not be covered because of the present exclusion.

Assemblyman Rhoads suggested the Committee get an opinion from the Legislative Counsel Bureau as to exactly what the bill says.

Chairman Banner said he will get that opinion from the Counsel Bureau -- as to who the employer is, the hotel or the band leader.

A.B. 568 - Amends eligibility requirements for second and subsequent claims for unemployment compensation.

Assemblyman Jeffrey said he requested this bill, but found that it does not do what was intended. Therefore, he requested it be held up until it can be amended.

A.B. 536 was not discussed because Mr. Kenny who requested it was not present at the hearing.

There being no further discussion, the meeting was adjourned at 3:55 p.m.

Respectfully submitted,

Sylvia Mays
Sylvia Mays
Assembly Attache

LABOR & MANAGEMENT COMMITTEEGUEST LIST

<u>NAME</u> (Please print)	<u>REPRESENTING</u>	<u>IF YOU WISH TO SPEAK</u>	
		<u>Pro</u>	<u>Con</u>
ED Mc GOLDRICK	RENO MUSICIANS		
DUFF TAYLOR	MGM		
JOE MORANI	FAMA W		
W.C. Anderson	Seema		
Bob M. Moran	City of Las Vegas		
Karen Sussan	NEVADA Assoc		
ED BOWERS	GAMING INDUSTRY ASSOC		
Pat Label	Neoads Tent asso		
CHUCK KING	CEN REL	*	X
Glenn C. Taylor	BASIC MANAGEMENT W		
DON GURD	NEV STATE COUNCIL OF LABORERS		
L. L. 126	Emp Sec Dept.		
L. 137	ESD		
Doug Tucker	PARK TAHOE		
Paul Fountain	SANITIA TAHOE		
Wanda Wilkins	(IPE v. Nevada Retail Assn)		
MARK. SOLOMON	HILTON HOTEL CORP		
LARRY McCracken	ESD		
STAN WARREN	Nv Bell		
CAROL VELARDI	Retailers		
MARK TULLY MASSAGLI			