

Date: March 22, 1979

Page: 1

Committee in Session at 8:43 A.M. on Thursday, March 22, 1979.

Senator Keith Ashworth in the Chair.

PRESENT: Chairman Keith Ashworth
Senator Wilbur Faiss
Senator Jim Kosinski

ABSENT: Vice-Chairman Joe Neal
Senator Rick Blakemore
Senator Clifton Young

GUESTS: Mr. William V. Wright, Chairman Board of Trustees,
Nevada State Museums
Dr. Wilbur Jefferson, Historical Society
Mr. Russ McDonald, Nevada State Historical Society
Ms. Mimi Rodden, citizen
Dr. Scrivner, Nevada State Board of Chiropractic Examiners
Mr. Karvel Rose, Nevada Industrial Commission
Dr. Robert Brown, Past President, Nevada State Medical
Association
Dr. Lon Harter, Doctor of Chiropractic
Mr. George Miller, Nevada State Welfare Director
Mr. George Holden, District Attorney, Lander County
Mr. Bob Hatfield, County Manager, Douglas County

Chairman Ashworth opened the hearing on S.B. 306.

Mr. William V. Wright, Chairman, Board of Trustees, Nevada State Museums, spoke in favor of S.B. 306. He stated that the Board of Trustees have been trying to work a method of consolidating the Nevada State Museums and the Nevada State Historical Society which would be to the best interests of the people of the State of Nevada. A plan has been worked out where they can be consolidated under an administrator. Under this plan central storage would be available to the museums and historical societies in the state.

Dr. Wilbur Jefferson, Historical Society, stated he concurs with William Wright. He felt it now is an opportune time to unite these two entities. With the building in Las Vegas there will be a better geographical balance in the state of cultural agencies, such as historical preservation; even the state library could be included or even the archives.

Mr. Wright stated that the goal is to get the museums and the historical society into one and the library and archives in another.

Senator Kosinski questioned Section 6, subsections 1 through 7 stating the duties of the administrator, all use a different terminology for the responsibility of the administrator. Dr. Jefferson stated these are functional things and he did not have an answer to that question. Mr. Wright stated that ultimately the biggest task the

administrator would have is trying to figure out what overlap there would be in both institutions. At the present time the Nevada State Museum is preserving material that should be in the historical society. There is no cross index between the two institutions so that there can be research or used by the public.

Chairman Ashworth questioned Section 5, line 14 regarding ability of the Administrator to 'raise money' stating maybe the wording should be changed.

Senator Faiss asked whether this consolidation would save the state money. Mr. Wright stated that it would save a great deal of money. The cost off-hand would strictly be an office, the administrator and a secretary. Chairman Ashworth brought up the question of a joint budget and whether this had as yet been worked out. Dr. Jefferson stated that this was brought up, and that discussion about amalgamation was well received. Senator Ashworth stated that now they have the two separate budgets. He questioned what happens if the legislature passes this bill. Dr. Jefferson responded that the Governor would appoint the administrator and the administrator would then pull both agencies together. The fiscal impact was mentioned and that this should be referred back to the Finance Committee. The money aspect should be resolved to combine the two budgets.

Mr. Russ McDonald, Nevada State Historical Society, read the bill S.B. 306 as requested by Chairman Ashworth. Senator Kosinski asked if that was appropriate language in Section 5, line 9 where it states "serves at his pleasure". Mr. McDonald stated that this was probably a minority position because normally it says "appointed for a term" and then goes through the removal procedure. It was stated that this is a departure from the usual language but was decided not to be objectionable. Under Section 5, line 18, this should be clarified, in the money aspect, as this is an unclassified salary.

Vice-Chairman Joe Neal arrived at the meeting at 9:15 A.M.

Senator Kosinski asked Mr. Wright on Page 3, line 14, the definition of the word "historic" means the advent of the white man to Nevada. Mr. Wright stated it is a benchmark of where you take the historic and pre-historic time set, pre-historic meaning the time before the white man came to Nevada.

Mimi Rodden, speaking as a citizen and not as an administrator to the division, stated she heartily endorses this bill as a beginning to consolidate the two agencies.

Chairman Ashworth closed the hearing on S.B. 306.

Chairman Ashworth opened the hearing on S.B. 303.

Dr. Scrivner, State Board of Examiners, Chiropractic of the State of Nevada, stated Section 5 gives health insurance policy back to the chiropractor. He submitted an amendment deleting Sections 1 and 2, Exhibit "A".

Date: March 22, 1979

Page: 3

Chairman Ashworth asked whether chiropractors can treat hospital patients if they are called in by a medical doctor to do so. Dr. Scrivner stated that they could, if the medical doctor called them in for chiropractic treatment of the patient.

Mr. Karvel Rose, Nevada Industrial Commission, stated he has no argument with S.B. 303, regarding chiropractic treatment. He stated he recommends a change in Section 4, line 22. The change to read: "Notwithstanding conclusion of this chapter, an employee may seek treatments for his injuries or disease." He further stated that it is the Industrial Commission's responsibility to supply that treatment. Senator Scrivner stated that chiropractors are considered to be physicians other than for the abortion law. By his own volition an individual will select a chiropractor.

Dr. Robert Brown, Past-President, Nevada State Medical Association, stated he basically would like to testify in support of the removal of Section 1, of S.B. 303. He felt that in Section 6, regarding insurance, that if this were included it should be on an option basis rather than a blanket basis. Exhibit "B" was submitted for inclusion in the minutes.

Dr. Lon Harter, D.C. stated that in regards to the two insurance sections, some insurance companies have indiscriminately decided that you have one adjustment, or one visit to a chiropractor once a week, or 2 or 3 weeks and then one a month. He stated this is the way the law is written at the present time. Chairman Ashworth questioned since they are recognizing chiropractors in their health care and insurance policy, why is it necessary to include Section 5 and Section 6. Mr. Harter stated these sections would remove the limitations so far as obstetrics is concerned. Dr. Brown stated that there are definite limitations in medical reimbursements. Chairman Ashworth commented that the insurance division would be contacted as to the effect of the cost.

There being no further testimony, Chairman Ashworth closed the hearing on S.B. 303.

Chairman Ashworth opened the continued hearing on S.B. 164.

Mr. George Miller, State Welfare Director, stated he was against this bill as it is confusing, and so broad and open ended. He felt the intent of the bill is simple, that it could be one sentence long. He stated the bill should read: "For persons injured or killed in motor vehicle accidents, who are not residents of Nevada, and who are indigent to the extent that they cannot meet full cost of medical expenses, or a part thereof, and after a reasonable attempt has been made by the county involved to collect, that the unpaid bills be submitted by the county involved to the Board of Examiners who may approve payment." He further stated that this bill applies only to those who are traveling through the state.

Date: March 22, 1979

Page: 4

Mr. Russ McDonald, County Commissioner, stated that the bill goes to the Board of Examiners who may pay it. It would then be charged to the statutory contingency fund. He further stated that the bill S.B. 164 should include, "that the costs be paid by the state". He stated that it could be worded as follows: "Than an indigent, non-resident, as a result of a motor vehicle accident, on a state highway, or interstate system, after reasonable opportunity, or attempt to collect from the county, send it to the State Board of Examiners who may pay it out of the statutory contingency account." Senator Kosinski stated that when last discussed, the limitation as to the amount of money that could be drawn under this bill might be added to the language of this bill. He also asked if it could be added that the total limitation of the liability to the state is, say \$100,000 and after that the state would pay no more further claims. Mr. McDonald felt that this would be a good thing to add to the bill, and that the appropriation would have to be renewable in each session. Senator Kosinski suggested to set aside an account in the contingency fund and provide a \$100,000 cap on that particular account.

Mr. George Holden, District Attorney, Lander County, questioned the phrase "reasonable effort to collect" and what that effort may be. He felt this should be clarified in the amendment.

Mr. Bob Hatfield, County Manager, Douglas County, stated he felt it was a good idea to keep the bill simple. He further added that money that goes into an indigent fund would have to be for a medical emergency. He further stated he supported the \$100,000 cap, and it is a rather significant impact on the rural county tax rates because they are tax supported funds.

Senator Ashworth directed Russ McDonald to re-draft an amendment to S.B. 303. For the record additional testimony, Exhibit "C".

There being no further testimony, Chairman Ashworth closed the hearing on S.B. 164.

S.B. 298 See Exhibit "G" of minutes on March 20, 1979.
Senator Kosinski moved to reconsider the action of Amend and Do Pass.

Seconded by Senator Faiss.

Discussion: None

Motion carried.

Yeas - - 4

Nays - - None

Absent: Senators Young and Blakemore.

S.B. 298

Senator Kosinski moved to Indefinitely Postpone
S.B. 298. (Exhibit "D")

Seconded by Senator Faiss.

Discussion: None.

Motion carried.

Yeas - - 4

Nays - - None

Absent: - Senators Young and Blakemore.

Chairman Ashworth checked with Senator Blakemore later,
who agreed to Indefinitely Postpone S.B. 298.

A.B. 21

Exhibit "E".

Senator Kosinski moved to Do Pass on A.B. 21.

Seconded by Senator Neal.

Discussion: Senator Kosinski stated that the Legal
Counselors opinion was that there may be some jurisdic-
tional overlap thereby no need for amendments to
existing law.

Motion carried.

Yeas - - 4

Nays - - None

Absent: Senators Young and Blakemore.

S.B. 159

Senator Kosinski stated he has a meeting with
Mr. Edmundson and will have report ready next week.
Exhibit "F".

BDR 40-1116*

Chairman Ashworth asked the committee if they had
any objection to a committee introduction of
BDR 40-1116 which requires the State Board of Health
to adopt certain regulations pertaining to sanitation,
healthfulness, cleanliness and safety of jails.
No objection was voiced. Chairman Ashworth later
contacted Senator Blakemore who agreed to the intro-
duction.

S.B. 272

S.B. 273

Chairman Ashworth asked the committee if they had
any objection to holding these 2 bills to place with
another bill representing water pollution. The
committee concurred with this suggestion.

S.B. 306

Senator Kosinski moved to amend Page 1, Line 7 clerical error to read "board"; and Section 5, paragraph 2 (b) (line 14, page 2) eliminate this paragraph. Amend and Do Pass.

Seconded by Senator Faiss.

Discussion: Rerefer to Finance.

Motion Carried.

Yeas - - 4

Nays - - None

Absent: Senators Young and Blakemore.

S.B. 303

Chairman Ashworth stated we should hear from the insurance division for clarification and their opinions on Sections 5 and 6. Then it may be necessary to strike out Sections 1 and 2.

There being no further business, Chairman Ashworth adjourned the meeting at 10:31 A.M.

Respectfully submitted,

Jean Van Nuys
Committee Secretary

Approved:

Chairman
Keith Ashworth



1979 REGULAR SESSION (60TH)

ASSEMBLY ACTION		SENATE ACTION		Senate	AMENDMENT BLANK
Adopted	<input type="checkbox"/>	Adopted	<input type="checkbox"/>	AMENDMENTS to <u>Senate</u>	
Lost	<input type="checkbox"/>	Lost	<input type="checkbox"/>	Bill No. <u>303</u> Joint	
Date:		Date:		Resolution No.	
Initial:		Initial:		BDR <u>40-1266</u>	
Concurred in	<input type="checkbox"/>	Concurred in	<input type="checkbox"/>	Proposed by <u>Senator Jacobsen</u>	
Not concurred in	<input type="checkbox"/>	Not concurred in	<input type="checkbox"/>		
Date:		Date:			
Initial:		Initial:			

Amendment N^o 350



Amend the bill as a whole by deleting sections 1 and 2 and renumbering sections 3 through 6 as sections 1 through 4.

Amend the title of the bill, lines 1 and 2 by deleting:

"requiring hospitals to admit chiropractors to staff privileges;" and inserting

"providing that chiropractors are practitioners of an allied health profession entitled to privileges in treating hospital patients;".

To: E & E
 LCB File
 Journal
 Engrossment
 Bill

Date 3-21-79 Drafted by JW:ml

NEVADA
STATE
MEDICAL
ASSOCIATION

NEIL SWISSMAN, M.D., President
RICHARD C. INSKIP, M.D., President-elect
GORDON L. NITZ, M.D., Secretary-Treasurer
ROBERT L. BROWN, M.D., Immed. Past President
LESLIE A. MOREN, M.D., AMA Delegate
LEONARD H. RAIZIN, M.D., AMA Alternate Delegate
RICHARD G. PUGH, CAE, Executive Director

3660 Baker Lane • Reno, Nevada 89509 • (702) 825-6788

NEVADA STATE MEDICAL ASSOCIATION TESTIMONY REGARDING S.B. 303

The Nevada State Medical Association is strongly opposed to the concept of mandating hospital privileges for chiropractors as proposed in S.B.303.

It is individual hospitals which have the duty and obligation to protect patients from unqualified practitioners. This duty has been recognized in numerous court decisions; that hospitals may withhold staff privileges to any practitioner if such actions are based on reasonable rules and regulations regarding qualifications, the primary consideration being the welfare of the patients.

Chiropractors are authorized by Nevada Revised Statutes to perform limited health and medical functions within the parameter of their practice act. They provide certain office based services to the public which do not require use of hospital facilities. To legislate an expanded scope of the practice of chiropractic without proof of extensive educational training is not in the best interest and common good of the public.

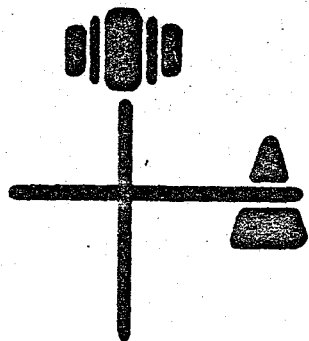
In addition to all the aforementioned, it should be noted that most state hospital laws or regulations require that staff privileges be granted only to physicians with an unrestricted license to practice medicine. The Medicare regulations contain a similar requirement. In order to qualify for participation in the Medicare program, hospitals can grant staff

NSMA TESTIMONY - S.B.303

Page Two

privileges only to legally, professionally, and ethically qualified physicians (Medicare Regulations S405.1023). The Standards of the Joint Commission on Accreditation of Hospitals also require that medical staff membership shall be limited to individuals who are fully licensed to practice medicine. If a hospital were to grant staff privileges to a chiropractor, it might not be eligible to participate in the Medicare program, it might lose its accreditation, and it might lose its state license.

Thus, it is clear that hospitals have a right and a duty to refuse to grant staff privileges to individuals who do not have the same degree of knowledge, training, and experience as is possessed by doctors of medicine. Hospitals would breach their duty to the public if they granted staff privileges to practitioners of an unscientific form of patient care.



LAW & MEDICINE

The Right and Duty of Hospitals to Exclude Chiropractors

A hospital, whether public or private, has not only a right, but also a duty to refuse to grant staff privileges to a chiropractor. This duty is based on the duty of the hospital, acting on the recommendation of its medical staff, to protect its patients from unqualified and incompetent practitioners. Cultist practitioners, such as chiropractors, are medically unqualified and incompetent practitioners.

Boos Case

The only reported court decision involving a chiropractor's application for hospital staff privileges is *Boos vs Donnell* (421 P 2d 644, Okla, 1966). In this case, two men were licensed by the state Board of Chiropractic Examiners to practice chiropractic. They applied to a municipal hospital for staff privileges to render chiropractic services to their patients. The governing board of the hospital rejected their applications. The chiropractors filed suit. They did not request the court to order the hospital to grant them staff privileges. They sought damages for the hospital's allegedly wrongful rejection of their applications.

Affirming the judgment in favor of the hospital, the Supreme Court of Oklahoma based its decision on an interpretation of several state statutes. The court noted that the statutes that establish the hospital required it to provide

personnel to render medical and surgical services. The statutes specifically stated that it was the duty of the hospital's governing body to employ competent and experienced physicians and surgeons to render medical and surgical treatment to its patients. State statutes also provided for the licensure of physicians and surgeons. These statutes specifically authorized individuals so licensed to engage in the practice of medicine and surgery.

Other state statutes licensed chiropractors. These statutes referred to those licensed thereunder as practitioners and not as physicians and surgeons. In addition, the chiropractic licensing statutes did not authorize the licensees to practice medicine and surgery.

Since the municipal hospital was authorized only to provide personnel to render medical and surgical services, the court ruled that the hospital had no duty to grant staff privileges to individuals not licensed to render such services. The court not only said that the hospital had no duty to grant the chiropractors staff privileges, but it also said that the hospital had a duty to refuse to grant such privileges to them.

Staff Privileges

Although the court based its decision on local statutes, it could have reached the same result based on a hospital's duty to establish rules to protect its patients from unqualified practitioners. Such a duty has been recognized in nu-

Prepared for the AMA Office of the General Counsel.
 Reprint requests to the Office of the General Counsel, American Medical Association, 535 N Dearborn St, Chicago 60610.

merous court decisions, and it is applicable to both public and private hospitals.

Regarding staff privileges, the courts had generally distinguished private and public hospitals. They had generally held that a private hospital's refusal to appoint a physician to the medical staff was not subject to judicial review (*Moore vs Andalusia Hospital, Inc*, 224 So 2d 617, Ala, 1969). The courts had indicated that it was within the sole discretion of a private hospital as to whether or not it would grant staff privileges to a physician (*Clark vs Physicians and Surgeons Hospital, Inc*, 131 So 2d 144, La, 1961, and *Group Health Cooperative, Puget Sound vs King County Society*, 237 P 2d 737, Wash, 1951).

On the other hand, however, the actions of public hospitals have been subject to judicial review. It has been generally held that public hospitals may not withhold staff privileges based on rules, regulations, or acts that are arbitrary, unreasonable, capricious, or discriminatory (*Ware vs Benedikt*, 280 SW 2d 234, Ark, 1955, and *Wyatt vs Tahoe Forest Hospital District*, 345 P 2d 93, Calif, 1959).

For the most part, this distinction between public and private hospitals has been abolished. It is now generally recognized that both public and private hospitals may withhold staff privileges only if such action is based on reasonable rules and regulations (*North Broward Hospital District vs Mizell*, 148 So 2d 1, Fla, 1962; *Wyatt vs Tahoe Forest Hospital District*, 345 P 2d 93, Calif, 1959; and *Jacobs vs Martin*, 90 A 2d 151, NJ, 1952).

Patient Welfare

Although there has been some disagreement as to what constitutes a reasonable rule or regulation, one point has been universally agreed on. The primary consideration is, and must be, the welfare of the patients (*Sosa vs Board of Managers of Val Verde Memorial Hospital*, 425 F 2d 44, 1970; 437 F 2d 173, 1971; *Citta vs Delaware Valley Hospital*, 313 F Supp 301, ED, Penna, 1970; *Rao vs Board of County Commissioners (Pierce)*, 497, P 2d 591, Wash, 1972; *Ware vs Benedikt*, 280 SW 2d 234, Ark, 1955; *Green vs City of St. Petersburg*, 17 So 2d 517, Fla, 1944; and *Selden vs City of Sterling*, 45 NE 2d 329, Ill, 1942). Hospitals must adopt and enforce reasonable rules and regulations that relate to the common good of the public and the hospital (*Sussman vs Overlook Hospital Association*, 231 A 2d 389, NJ, 1962). In *Greisman vs Newcomb Hospital* (192 A 2d 816, NJ, 1963), the court stated that

Hospital officials are properly vested with large measures of managing discretion and to the extent that they exert their efforts toward the elevation of hospital standards and higher medical care, they will receive broad judicial support.

One method of providing for a high quality of medical care is to exclude unqualified practitioners, such as chiropractors, from the hospital staff. Numerous court decisions have asserted the duty of the hospital to exclude unqualified practitioners. In *Sosa vs Board of Managers of Val*

Verde Memorial Hospital (437 F 2d 173, 1971), the court said

It is the [Hospital] Board, not the court, which is charged with the responsibility of providing competent staff of doctors. . . . Human lives are at stake, and the governing board must be given discretion in its selection so that it can have confidence in the competence and moral commitment of its staff. The evaluation and professional proficiency of doctors is best left to the specialized expertise of their peers, subject to limited judicial surveillance. The court is charged with the narrow responsibility of assuring that the qualifications imposed by the Board are reasonably related to the operation of the hospital and fairly administered.

This concept was more forcefully set forth in *Rao vs Board of County Commissioners (Pierce)* (497 P 2d 591, Wash, 1972) in which the court said

We have no hesitancy in declaring that the governing bodies of hospitals have a right to expect that doctors who use their facilities shall be competent to practice within currently accepted standards. . . .

The hospital's duty to exclude unqualified practitioners from staff privileges flows from its duty to the general public. The hospital would be answerable to the public for any violation of this duty. This aspect was discussed in *Duham vs Wood River Township Hospital* (152 NE 2d 205, Ill, 1958) when the court said

Liability might well be made to fall upon the hospital if their personnel or equipment were permitted to be subject to control of one lacking in some of the necessary professional skills. Under such circumstances, it is only logical that the institution have the right to safeguard its interest and the public interest as well by exercising discretion in the makeup of the medical staff.

Other Regulations

In addition to all the aforementioned, it should be noted that most state hospital laws or regulations require that staff privileges be granted only to physicians with an unrestricted license to practice medicine. The Medicare regulations contain a similar requirement. In order to qualify for participation in the Medicare program, hospitals can grant staff privileges only to legally, professionally, and ethically qualified physicians (Medicare Regulations S405.1023). The Standards of the Joint Commission on Accreditation of Hospitals also require that medical staff membership shall be limited to individuals who are fully licensed to practice medicine. If a hospital were to grant staff privileges to a chiropractor, it might not be eligible to participate in the Medicare program, it might lose its accreditation, and it might lose its state license.

Conclusion

Thus, it is clear that hospitals have a right and a duty to refuse to grant staff privileges to individuals who do not have the same high degree of knowledge, training, and experience as is possessed by doctors of medicine. Hospitals would breach their duty to the public if they granted staff privileges to practitioners of an unscientific form of patient care. —JOSEPH E. SIMONAITIS, JD

Churchill County Welfare Department

869 So. Maine
Fallon, Nevada 89406

(702) 423-4433
March 21, 1979

BILL LEE
Commissioner

MANUEL BARRENCHEA
County Clerk

KAZUKO NOJIMA
Welfare Director

Committee on Human Resources and Facilities
Senator Keith Ashworth, Chairman

Gentlemen:

Eight days after I testified before your Committee, a single car accident occurred in Churchill County involving four adults and two children. One of these children, an 18 day old infant, was killed. Three of the four adults were transferred to Washoe Medical Center while one adult, whose injuries were not as severe, was hospitalized in our local facility. The surviving child was taken to Washoe Medical Center and released after two days. As of March the 20th, (a period of 12 days), the expense at Washoe Medical Center for the three adults is already \$14,362.25. In addition they collectively owe \$615.70 for emergency care and local ambulance services from the scene of the accident to the local hospital and then to Washoe Medical Center.

The vehicle belonged to one of these adults, but he had no insurance. There is serious doubt that these individuals entered the country legally and may be taken back to their country of origin as soon as the family is able to be moved. Washoe Medical Center anticipates that the three remaining patients will be there for another six weeks.

Applications have been made for various programs, but this may be an exercise in futility if they are not able to produce a work card or proof of citizenship. In this particular case, the two men involved in this accident have been employed in Churchill County. Their employers indicate they were exceptionally good workers. They were doing jobs that were hard to fill and were very reliable. In fact, one of the young men put up a \$400 deposit when his wife gave birth to the child killed in the accident and another \$50 payment was received by mail on the day of the accident.

So the intent to be responsible individuals is there. The owner of one dairy which employs one of the gentlemen indicated that if the immigration officer would leave his employee here, he would work out an arrangement whereby they could pay this bill off through regular deductions from their pay checks. It has been our previous experience however, that the immigration officers remove these individuals as soon as they are detected. I would think the only reason the child and the one adult are still here is because the adult's wife and mother of the child, is still in the hospital. The two year old child was also not born in this country.

I don't know what the answer is to this problem. Theoretically, the man should have had no-fault insurance. When we get the final billing for this one accident it will probably expend all the monies I have set aside for out-of-county hospital expenses. This accident involved residents of this county. However, it could have just as easily involved people who were just traveling through. Either way, Churchill County suffers the financial burdens.

Kayoko Hozumi

*Thank you for letting me share these
concerns with you.*

S. B. 298

**SENATE BILL NO. 298—COMMITTEE ON HUMAN
RESOURCES AND FACILITIES**

MARCH 2, 1979

Referred to Committee on Human Resources and Facilities

SUMMARY—Transfers responsibility for recommending designation of certain places as state monuments, historic landmarks and archeological areas. (BDR 33-468)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.



EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to historical preservation; transferring responsibility for recommending the designation of certain places as state monuments, historic landmarks and archeological areas to the division of historic preservation and archeology of the state department of conservation and natural resources; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,
do enact as follows:*

1 SECTION 1. Chapter 383 of NRS is hereby amended by adding
2 thereto a new section which shall read as follows:

3 *Upon the recommendation of the administrator and the director, the*
4 *governor may, by proclamation, designate any site, place or building*
5 *located on any publicly owned land, or any land in the state held by the*
6 *division of state parks of the state department of conservation and natural*
7 *resources under lease or permit, as a historic landmark, historic building,*
8 *historic site or archeological area. Before recommending any such desig-*
9 *nation, the administrator shall consult with the agency or agencies*
10 *responsible for administering the land.*

11 SEC. 2. NRS 407.120 is hereby amended to read as follows:

12 407.120 Upon the recommendation of the administrator [of the
13 division of state parks, with the approval of] and the director, [or the
14 administrator of the division of historic preservation and archeology,
15 through the director of the state department of conservation and natural
16 resources,] the governor may, by proclamation, designate any site, place
17 or building located on any publicly owned land, or any land in the state
18 held by the division under lease or permit, as a state park, state monu-
19 ment [, historical landmark, historical building, an archeological area]
20 or recreational area.

— 2 —

1 Sec. 3. NRS 407.130 is hereby amended to read as follows:
2 407.130 The division shall administer, protect, mark and develop
3 any [such] state monument, [historical landmark, historical] *historic*
4 *landmark, historic building, historic site, archeological area* or recrea-
5 tional area [so] designated [and proclaimed] as provided in *section 1*
6 *of this act and NRS 407.120 [.] which is situated on land administered*
7 *by the division, and any money appropriated to the division, or derived*
8 *by it from any source whatever, may be expended by it for the marking,*
9 *care, protection, supervision, improvement or development of any such*
10 state monument, [historical landmark, historical] *historic landmark,*
11 *historic building, historic site, archeological area* or recreational area.

②

A. B. 21

ASSEMBLY BILL NO. 21—ASSEMBLYMEN
MANN, HORN AND SENA

JANUARY 16, 1979

Referred to Committee on Judiciary

SUMMARY—Authorizes fire departments to investigate causes
of fires. (BDR 42-617)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to crimes and responsibilities regarding fires; authorizing fire departments to investigate causes, origins and circumstances of fires; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,
do enact as follows:*

- 1 SECTION 1. Chapter 475 of NRS is hereby amended by adding
2 thereto a new section which shall read as follows:
3 *Each fire department may investigate the cause, origin and circum-*
4 *stances of each fire which occurs within its jurisdiction and which results*
5 *in the destruction of or damage to property, loss of life, or injury to any*
6 *person.*

EXHIBIT "F"

SENATE BILL NO. 159—COMMITTEE ON HUMAN
RESOURCES AND FACILITIES

JANUARY 31, 1979

Referred to Committee on Human Resources and Facilities

SUMMARY—Requires license to manufacture drugs, devices or cosmetics,
and provides penalty. (BDR 51-223)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.



EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to public health; requiring license for the manufacture or processing of drugs, devices or cosmetics; providing a penalty; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,
do enact as follows:*

- 1 SECTION 1. Chapter 585 of NRS is hereby amended by adding
2 thereto a new section which shall read as follows:
3 1. *Every factory, warehouse, laboratory or other location in which*
4 *drugs, devices or cosmetics are manufactured, compounded, processed*
5 *or packaged must be licensed by the commissioner.*
6 2. *The commissioner shall establish and collect fees for the purpose*
7 *of paying the costs of inspecting, testing and other functions required*
8 *under the provisions of this chapter. All such fees collected by the com-*
9 *missioner must be deposited with the state treasurer for credit to the*
10 *state general fund.*
11 3. *As a condition for entertaining the application of any applicant*
12 *for any license authorized under this chapter, and as a further condition*
13 *for the issuance of any such license, the commissioner or his authorized*
14 *agent is entitled to free access at all reasonable hours to any factory,*
15 *warehouse or other location in which drugs, devices or cosmetics are*
16 *manufactured, compounded, processed or packaged or held for intro-*
17 *duction into commerce, and may enter any vehicle being used to trans-*
18 *port or hold such drugs, devices or cosmetics in commerce, for the*
19 *purposes of:*
20 (a) *Inspecting the factory, warehouse, other location or vehicle to*
21 *determine whether any of the provisions of this chapter is being violated;*
22 *and*

1 (b) *Securing samples or specimens of any drug, device or cosmetic*
2 *after paying or offering to pay therefor.*

3 4. *The commissioner shall make, or cause to be made, examinations*
4 *of samples and specimens secured under the provisions of this section*
5 *to determine whether any of the provisions of this chapter is being*
6 *violated.*

7 SEC. 2. NRS 585.240 is hereby amended to read as follows:

8 585.240 1. The commissioner or his duly authorized agent [shall
9 have] *is entitled to free access at all reasonable hours to any factory,*
10 *warehouse or establishment in which foods [, drugs, devices or cos-*
11 *metics] are manufactured, processed, packed, or held for introduction*
12 *into commerce, or may enter any vehicle being used to transport or hold*
13 *such foods [, drugs, devices or cosmetics] in commerce, for the pur-*
14 *pose [:] of:*

15 (a) [Of inspecting] *Inspecting* such factory, warehouse, establishment
16 or vehicle to determine [if] *whether* any of the provisions of this chapter
17 [are] *is being violated; and*

18 (b) [Of securing] *Securing* samples or specimens of any food [, drug,
19 device or cosmetic] after paying or offering to pay for such sample.

20 2. The commissioner shall make, or cause to be made, examinations
21 of samples secured under the provisions of this section to determine
22 whether [or not] any provision of this chapter is being violated.

23 SEC. 3. NRS 585.495 is hereby amended to read as follows:

24 585.495 1. The state board of health shall license amygdalin (lae-
25 trile) and procaine hydrochloride with preservatives and stabilizers
26 (Gerovital H3) for manufacture in this state. Such licensing [does not
27 constitute] *is not* a representation that either substance has any thera-
28 peutic effect.

29 2. The commissioner shall:

30 (a) Adopt regulations which prescribe minimum standards for manu-
31 facturers in preparing, compounding, processing and packaging each
32 substance.

33 (b) Make periodic tests and inspections of both the facilities for manu-
34 facture and samples of the substances to ascertain the purity, quality and
35 identity of the substance and to determine that the substance meets the
36 standards prescribed pursuant to paragraph (a).

37 (c) [Establish and collect fees from the licensee for the purpose of
38 paying the costs of the inspections, testing and other functions required
39 to carry out the provisions of this section.

40 (d)] Before acting upon an application for a license, collect the
41 fees necessary to pay the cost of investigating the applicant. A license
42 shall not be issued until the applicant has paid all actual costs for the
43 initial testing, inspection, investigation and hearings.

44 [(e) Deposit all such fees with the state treasurer for credit to the
45 state general fund.]

46 3. The commissioner may, after notice and hearing, revoke, suspend
47 or refuse to renew the license of any person who:

48 (a) Fails to maintain the standards required by paragraph (b) of
49 subsection 2.

50 (b) Violates any regulation adopted by the commissioner.

1 (c) Fails to pay any assessment prescribed in paragraph (c) [or (d)]
2 of subsection 2 within a reasonable time.

3 4. The attorney general shall, at the request of the commissioner
4 seek injunctive relief for any violation of the regulations adopted by the
5 commissioner.

6 5. There is hereby imposed upon the gross receipts of a manufacturer
7 from the sale of each substance licensed for manufacture pursuant to
8 this section an assessment of 10 percent, payable quarterly to the depart-
9 ment of taxation. The Nevada tax commission shall prescribe by reg-
10 ulation appropriate forms for reporting such gross receipts, and shall
11 when appropriate recompute the assessment and collect any deficiency
12 in the manner provided for taxes required to be paid pursuant to Title
13 32 of NRS. Each manufacturer shall report his sales and pay the assess-
14 ment during the months of January, April, July and October for the
15 respective preceding calendar quarters.

16 SEC. 4. NRS 585.520 is hereby amended to read as follows:

17 585.520 The following acts and the causing thereof within the State
18 of Nevada are hereby prohibited:

19 1. The manufacture, sale or delivery, holding or offering for sale
20 of any food, drug, device or cosmetic that is adulterated or misbranded.

21 2. The adulteration or misbranding of any food, drug, device or
22 cosmetic.

23 3. The sale, delivery for sale, holding for sale or offering for sale
24 of any article in violation of NRS 585.490.

25 4. The dissemination of any false advertisement.

26 5. The refusal to permit entry or inspection, or to permit the taking
27 of a sample, as authorized by NRS 585.240 [.] or section 1 of this act.

28 6. The giving of a guaranty or undertaking, which guaranty or
29 undertaking is false, except by a person who relied on a guaranty or
30 undertaking to the same effect signed by and containing the name and
31 address of the person residing in the State of Nevada from whom he
32 received in good faith the food, drug, device or cosmetic.

33 7. The removal or disposal of a detained or embargoed article in
34 violation of NRS 585.250.

35 8. The alteration, mutilation, destruction, obliteration or removal
36 of the whole or any part of the labeling of or the doing of any other
37 act with respect to a food, drug, device or cosmetic, if such act is done
38 while such article is held for sale and results in such article being mis-
39 branded.

40 SEC. 5. NRS 585.550 is hereby amended to read as follows:

41 585.550 [Any person violating any of the provisions of this chapter
42 shall be guilty of a misdemeanor.] 1. Any person who manufactures,
43 compounds, processes or packages any drug without a license required
44 by NRS 585.240 shall be punished by imprisonment in the state prison
45 for not more than 6 years and may be further punished by a fine of not
46 more than \$10,000, or by both such fine and imprisonment.

47 2. Any person who violates any other provision of this chapter is
48 guilty of a misdemeanor.