

Getto
Assembly

MINUTES OF MEETING ON AGRUCULTURE - 55th Nevada Assembly
Virgil Getto, Chairman Feb. 11, 1969

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Present: Young, Dini, Close, Howard, Getto, Brookman, Hafen.

Absent: None

Chairman Getto called the meeting to order at 10:10 A.M. and introduced Mr. Frank Daykin, bill drafter from the Legislative Counsel Bureau, who was asked to explain AB 39, which prescribes limitation for actions against bonds or deposits of livestock auction operators. (BDR 50-244).

He said it was put into the Statutes in 1961 and was part of a bill which reorganized the State Department. He said their records on drafting state that the one-year item was specifically requested. He said there were good reasons why this was done, mainly, to set up with the Executive Director cash or other securities which the Director then holds as a deposit. On a straight surety bond, the general law prescribes a 6-year statute of limitations by cash or security. The law prescribes directors should hold for one year after the operator goes out of business, waiting for claims. It would not be very realistic to expect a director to hold cash for 6 years. On the other hand, it wouldn't be reasonable or proper protection of the law to let a person who had a claim against a posted surety bond have six years, where with cash, for practical purposes, have only one year. That is the reason the one-year limitation was inserted. It was in the law until 1965 until producers and livestock men wanted the bill redrafted in 1967. At that time, the 6-year statute was omitted. I inadvertently omitted it, and the one-year bit got left out. After examining the record, it was the general concensus that it was inadvertence on the part of the bill drafter.

Mr. Close asked what happens to all other bonds, such as car wrecker bonds, trailer dealer bonds, etc., do they have to keep their bonds secure? Mr. Daykin answered that all bonds have the limitation of 6 years, but everyone has to set them up all the same. However, if they want TCD or cash back, then they could buy a bond and substitute cash for the bond. In every other case, we do have a bond that is acceptable for 6 years. Mr. Dini said he thought that was right, and that we do not deal with the problems of limiting.

Chairman Getto asked if a man was carrying a cash bond with the 6-year limitation, and went into another type of business (ie a private detective) would he still have to carry that cash bond for the 6 years? Mr. Dini said he thought he would.

Mr. Daykin said that if you buy a surety bond, let us say, for this year, and you go out of business, you are no longer required to carry the bond as far as carrying the premium, but the liability continues for a 6-year period. There is a difference in practical effect between the surety bond which pays the premium for each year you are in business.

On the surety bonds, he said, you still pay the premium and you draw the interest, but you still have the principal tied up. In case of cash, it is still tied up for 6 years.

Chairman Getto asked him if you could turn around and buy another surety bond with protection for 6 years, and Mr. Daykin answered that you would still have to pay the premium for 6 years - you would have to get a new surety contract, which, in fact, would be guaranteed for any liability for the previous 6 years.

Regarding agriculture,

Limitations of action which governs most torts and contracts is presently 3 years, and limits the bond to that time, straight across the board, but depends on the nature of the action. That is, it is generally 3 years. Mr. Getto said he understood California was 10 years. There ensued conversation regarding limitations for torts in various states.

Mr. Daykin said in checking with packers, producers and sales yard operators in Los Angeles, our one year limitation does not run afoul of that. Further, he said, we accept specifically, under our law, many bonds of the packers and sales yards".

Mr. Close suggested that agriculture come out with a bill encompassing all in that class (packers, producers, sales yard operators), and said he thought a cash bond should also be retained.

Mr. Daykin said the cash or securities posted must be only for 3 years. Mr. Close said "you said surety bond". and Mr. Daykin replied that a surety bond would be acceptable.

Mr. Young said that "it is the consensus of the Committee that we will draft a new bill and instruct Mr. Daykin regarding the limitations of action on bonds."

Seconded by Brookman, unanimously carried.

Mr. Howard then made a motion that AB 39 be held until a new bill has been drafted. Seconded by Young. Unanimously carried.

AB 121. - Revises law relating to labeling, sale and transportation of seeds. (BDR 51-283).

Mr. Howard made a motion that this bill be held for further consideration. Seconded by Close.

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Mrs. Brookman asked the Chairman if some time could be set aside in the next meeting to discuss this bill. Mr. Howard said he would like to invite his Agricultural Extension Service agent to come in on this.

AB 122 - Dini made a DO PASS motion on AB 122.
Dini seconded. Unanimously carried.

AB 123 - Clarifies certain provisions dealing with weights
Close made a motion that this bill be held for further
consideration. Brookman seconded. Unanimously carried.

AB 124 - Further limits charges for care of estrays.
(BDR 50-280). Young moved DO PASS AB 124. Close seconded.
Unanimously carried.

AB 125 - Requires weighmasters to obtain information in
issuing weight certificates (BDR 51-282)
Close made a DO PASS motion on AB 125. Howard seconded.
Unanimously carried.

AB 126. - Requires showing of good character, responsi-
bility and good faith for custom pest control license.
(BDR 49-278). Mr. Close made a motion to indefinitely
postpone AB 126. Seconded by Howard, unanimously carried.

Mr. Howard said he didn't believe we should give any
department policing powers to put any man in or out of
business. Mrs. Brookman mentioned the bill would discriminate
against giving a license to any man who had gone bankrupt.

Chairman Getto introduced Mr. Ted Shurtleff from southern
Nevada. He discussed spraying from the air, and said they
had little control as far as protection was concerned and
bonding when they ordered their cotton crops sprayed. He
said cotton is very delicate and the wrong spray, or a
wind blowing could cause many dollars worth of damage, for
which they have little promise of every receiving payment.

Mr. Howard mentioned Section 3, NRS 555.330, AB 126,
which reads: 1. The executive director shall require from
each applicant for (an operator's) * * * He said he
thought the word shall should be changed to may. He said
if everyone was required to post a \$2,000 bond, it would put
almost everyone out of business.

It was moved and seconded that AB 126 be indefinitely
postponed, and unanimously carried. Therefore, Mr. Close
made a motion that a new bill, on this same subject be
written, to include some of the language of AB 126, but
be expanded to concentrate more particularly on ariel spraying,
and modify to a great extent the bonding and investigative
principles involved in licensing pest control business in
general.

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Chairman Getto stated he would invite Frank Daykin and Lee Burge to come in regarding drafting of a new bill to replace AB 126.

Mrs. Brookman asked if we could get the regulations out of California, and possibly some representatives of the spraying industry.

Mr. Shurtleff said he thought Mr. Gallaway of the Department of Agriculture had all this information, and Mr. Getto said he would also be invited to the next meeting.

Mr. Close suggested that when the committee talks to these people, they be asked who insures them.

Mr. Getto asked Joe Dini if he had sprayers in his area? He replied in the affirmative.

Mr. Getto announced the date of the hearing on this matter would be Tuesday, February 18th at 10:00 A.M.

Mr. Getto then introduced briefly a proposed soil conservation bill. No action was taken on this proposal at this meeting, other than a motion by Mr. Young that it be introduced. Brookman seconded. Unanimously carried. The entitlement of the bill was "A bill to amend the soil conservation districts law of Nevada".

The meeting was adjourned by the Chairman.