

Assembly
MINUTES OF MEETING - COMMERCE COMMITTEE - 55TH ASSEMBLY SESSION
APRIL 16TH, 1969

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Present: Wood, Mello, Espinoza, Torvinen, Bowler, Capurro,
Hafen

Absent: None

Guests: Noel A. Clark, Public Service Commission; John Porter;
H. E. Burton; Mary Ann Vogel

Chairman Wood called the meeting to order at 10:40 a.m. He announced that there were 17 bills and he hoped that by Thursday noon the committee would have completed its work for the legislative session except for any new bills coming in the following days legislative activities. He also announced that he wished SB-97 and SB-517 be considered together.

Espinoza moved that SB-140 be made the first order of business at this meeting; Bowler seconded.

Capurro said that he would like to take on ACR-53 either prior or during the discussion of this bill as it involves the same subject.

Wood said that before putting this to a committee vote that the committee had a standing rule that their deliberations take place without guests in the room. He asked the committee if they wished to change this rule before making a motion.

Torvinen stated that they were going to have the press there anyway and that this wasn't a time when they were hearing proponents and opponents to the bill and said that as long as the press was there that it shouldn't make any difference if the rest were there.

Wood stated that he would like a motion as to whether or not they wished to conform to the standing rule of the committee.

Espinoza withdrew his motion and Bowler withdrew his second.

Capurro moved that guests be allowed to stay; Torvinen seconded; motion carried.

Espinoza moved that SB-140 be made the first order of business for this day; Bowler seconded. Wood stated that SB-140 would be considered at this time.

SB-140 - Implements Nevada racing commission's multiple racing program by authorizing greyhound racing on tracks holding a minimum of 25 days of horse racing each 90-day period.

Wood stated that he understood there were some other amendments for consideration on SB-140 and requested that they be brought before the committee members. Espinoza had an amendment and stated that it was prepared at the request of Mr. Mello who had reservations about racing commission members having financial interest in greyhound racing in Nevada. Section 20; "No member of the commission may own or otherwise have a financial interest in any greyhound which is introduced in any race meet licensed pursuant to the provisions of this chapter."

Mello moved that the amendment be adopted; Bowler seconded; motion carried.

Wood mentioned the amendments that Mr. Capurro had drawn up to amend SB-140.

Capurro: These amendments were not in anything but sincere intent although they do substantially alter the bill. It is my feeling that consideration is for horse racing and not for dog racing and, therefore, I asked the bill drafters to prepare an amendment to help horse racing without adding dog racing and I have subsequently introduced ACR-53 for a legislative commission to study dog racing before proceeding with the legislation. I think that if in fact it is a good thing and would withstand a study, I would support it. I, therefore, introduced these amendments and resolution. I don't know what the appetite of the committee is about adopting these amendments as committee amendments. I am not going to move for the adoption unless somebody would want to. On the amendment we have increased the parimutual figure on horses from 16.5% to 25% which is not out of line with the rest of the gaming industry in the state of Nevada and I believe that this 9% increase would be more than dog racing would bring to the state. It might be more difficult to sell stock; it would bring in revenue to the track itself and to horse racing.

Bowler: With the percentage up to 25%, I think it would tend to kill the horse racing also. I think that horse racing is a sport developed through wagering and I think that with this type of percentage that you would kill the incentive of the horse betters to bet.

Capurro: It is entirely permissive; you don't have to put it at 25%; most states are beyond the 16.5% and the entire 25% does not have to be taken off the pari-mutuel.

Mello: Mr. Capurro's amendments are striking out dog racing which will kill the bill. If this committee is to take out dog racing from SB-140 which it calls for then I suggest that his amendments die in the committee because that kills dog racing.

Capurro withdrew his amendments.

Wood asked if they wished to consider changing the percentage to the operators from 16.5% to 25% on horse racing.

Espinoza felt that it was excessive and felt the national average was probably between 16% and 17% at the most.

Torvinen moved to indefinitely postpone; Capurro seconded; Torvinen, Capurro, Wood voting "yes"; Hafen, Bowler, Espinoza, Mello voting "no".

Discussion followed regarding other amendments that might be proposed.

Mello stated that he was very pleased to see that fast action would be taken on this bill after being in a committee for a month. I'm going to support the bill to go on the floor because of not being able to make a decision in this committee on what to do with this bill.

Espinoza moved a do pass as amended; Bowler seconded; Torvinen, Capurro and Wood voting "no" and Espinoza, Mello, Bowler, Hafen voting "yes".

The bill will be put out as a majority do pass and a minority do not pass as amended.

It was then brought out that they had agreed to take up ACR 53 after this bill.

ACR-53 - Directs legislative commission to study dog racing in Nevada

Capurro: I was sincere in this resolution. We have had enough problems with dog racing in this committee to last a long time. I think we should conduct this study regardless of what the other bill does. This has no bearing on SB-140; it is on its own and could clear up some of the conflicts and I think that if we get a worthwhile study, it will bring out the facts on dog racing.

Torvinen moved a do pass; Capurro seconded.

Bowler: How are we going to study dog racing and give extensive study without first having something to study? There is only one dog racing tract to be established at this time in Henderson and this study could be conducted on the track operating in Henderson. I wonder if it is necessary.

Capurro stated that there was substantial interest in his area in dog racing. All of the time we were discussing dog racing in the committee, we couldn't find any facts and figures on dog racing.

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Bowler: I made trips to Denver and talked to the state officials, secretary of state and I also went to Phoenix and talked with the mayor and secretary of state.

Wood: The city of Yuma, Arizona went bankrupt because of dog racing. I would like to tell you in all fairness and I would have liked to have you in on some of my phone calls that I have been making in an effort to educate myself in relationship to dog racing. You will never believe it but you would be far better off to have passed ACR 53 instead of SB-140. I feel there will be a problem facing the state of Nevada and particularly Clark County so far as the kind of dog racing that you visualize and the kind of dog racing you are going to get. I just wish that you would have studied this.

Hafen: I wonder if this could be amended that if there is a track in operation in the next session that it couldn't be included in here.

Capurro: Not limited.

In regard to the above motion to do pass ACR 53, Torvinen, Capurro, Wood voted "yes"; Hafen, Espinoza, Mello and Bowler voted "no".

ACR-53 will be reported out with a majority do not pass and a minority do pass.

It was wondered by the committee if this could be done.

Espinoza moved to indefinitely postpone ACR-53; Bowler seconded.

Mello: I have discussed this dog bill with Hal Smith. He is also representing your area (Espinoza) and he is in favor of the resolution and I wonder why you are opposed.

Espinoza: There has been so much delay already and I don't want another bill over it.

Bowler: I would move to rescind our action on the resolution and defer action on it until we can discuss with some people and defer until tomorrow.

Wood: At this time the committee action on ACR-53 is a majority do not pass and a minority do pass; are you proposing to rescind that action.

Bowler: I'm making a motion that we rescind our action and start over with it.

There was a discussion on the majority and minority report.

Torvinen moved that we rescind action on ACR-53; Capurro seconded; motion carried.

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Torvinen moved to put ACR 53 out without recommendation;
Capurro seconded.

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Hafen amended the motion to say that it be held until the next meeting day or the next legislative day; Mello seconded.
Hafen, Espinoza, Bowler, Mello voting "yes"; Wood, Capurro, Torvinen voting "no". The resolution is to be held.

SB-195 - Provides for grading and marketing of poultry

Espinoza: I am opposed simply on the basis that we heard one side of discussion. If I could hear the other side, I might be better informed and could support the bill.

Capurro moved a do pass; Bowler seconded; motion carried with Espinoza voting "no".

AB-769 - Imposes additional regulations on public utilities
and requires district attorneys to prosecute violations

Clark: In this bill we are dealing with the safety of hundreds of people. There is another bill moving through the legislature that removes a lot of obsolete legislation of some years ago. With the advent of CATV many communities we find lines being hung on poles that do not have adequate clearance between primary and secondary lines. This is very dangerous. We believe this bill is absolutely necessary with our limited staff of inspectors to maintain safety factors. In Section 3, line 12, the first of this is a severe penalty; the second part is housecleaning language. I do strongly recommend that this bill be passed; most certainly in the public interest and for public safety.

Mello moved a do pass; Torvenin seconded; motion carried.

SB-97 - Provides in detail for regulation of funeral and
burial service contracts

Porter: This bill actually is concerned with the pre-need contracts on the part of funeral parlors, mortuaries, etc. It contains provisions that are set forth in SB-517 when such contracts are sold by cemeteries. As I indicated to you before, we are putting everything in one bill with reference to pre need contracts. SB-97 is restricted to pre need contracts; SB-517 contains essentially the same provisions. We feel that SB-97 is a needed bill at the present time in so far as the sale of these premium contracts and would put regulatory agencies able to cope with some of the problems.

Burton: I am not speaking for the industry. We as an industry have felt that legislation should be introduced and passed in order to protect the general public. We had several meetings and came to terms; we were not in wholehearted agreement; we were not happy with it, but some of us could live with it. When it went through the Senate the percentage

changed from 40/60 to 75/25. Some of the members of the industry became unhappy about it. To me I think it is wise that we have some kind of legislation. I doubt that there is time for amendments to this bill. Mr. Knobel told me to speak for him.

AB-706 - Prohibits service station games and contests.

Mary Ann Vogel: I talked to the president of the Retail Dealers of Nevada and his association supported this bill and I also talked to one of the board members and he also supported this bill. This is not only good for the dealers but also for the public because they are getting taken quite a bit and there is proof. I know where dealers and their friends have split the prizes etc.

AB-17 - Entitles stockholder to inspect, copy or audit financial records of private corporation

Torvinen moved to indefinitely postpone; Capurro seconded; motion carried.

AB-105 - Modifies real estate license exemption provisions

Mr. Wood said that there was some amendments proposed by Lingenfelter on this bill.

Mello moved to hold action until the next meeting; Torvinen seconded; motion carried.

AB-135 - Provides for regulation of controlled business insurance sales

Bowler moved a do pass

Discussion followed.

Mello moved to indefinitely postpone; Bowler seconded; motion carried.

AB-173 - Prohibits false, deceptive misleading advertising

The district attorneys want this bill. It was discussed that possibly this could be taken care of in the cities.

Capurro moved to do pass; Hafen seconded; motion carried.

AB-517 - Requires public building plans to conform To American Standard for physically handicapped persons

Mr. Wood stated that the planning commission has asked us to reconsider our action on this bill.

Torvinen moved not to rescind the previous action; Espinoza seconded; motion carried.

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AB-706 - Prohibits service station games and contests

Torvinen moved to do pass; Capurro seconded; motion carried.

SB-167 - Permits banking corporations to serve as executors,
administrators or guardians

Capurro moved that Torvinen check this bill out and if he
finds it okay to pass it out of committee.

Torvinen moved a do pass; Capurro seconded; motion carried.

SB-435 - Restricts right of dissenting corporate shareholder to
demand payment for shares

Wood stated that he had gone through this bill with Jim Guinan
very carefully and he indicates that it is very desirable
legislation. He is an attorney who represents the bar.

Torvinen moved a do pass; Bowler seconded; motion carried.

SB-449 - Confirms privilege of assigning life insurance
policies

Mello moved a do pass; Capurro seconded; motion carried.

SB-502 - Authorizes refunds of erroneously collected gaming
license fees

Espinoza moved a do pass; Hafen seconded; motion carried.

Next meeting is tomorrow morning at 10:30 a.m.

Meeting adjourned.