

MINUTES OF MEETING - ASSEMBLY COMMITTEE ON JUDICIARY, 55th Session
April 2, 1969

Meeting was called to order at 3:35 P.M.

Present: Torvinen, Kean, Fry, Prince, Reid, Bryan, Schouweiler, Lowman, Swackhamer. 2-264

Absent: None.

SB 303: Adopts Uniform Principal and Income Law.

SENATOR SWOBE: This bill was requested by the CPA's of the state. It is also backed by the banks. It sets up ground rules to cover the situation in the event you draw up a trust and don't set forth the procedures. If the trust does contain some guidelines, then this does not apply. This is fresh from California. We did call the banks and the trust departments in general support the bill.

MR. REID: We have passed on our side a provision for referring to some of these things by reference. Do you feel that these two are in conflict?

SENATOR SWOBE: No. This doesn't delete anything.

MR. REID: When would you use this?

SENATOR SWOBE: Supposing you just set aside so much money in trust with the First National Bank as Trustee. Then this would apply.

MR. TORVINEN: They would make use of this to determine what is income.

MR. BRYAN: I move Do Pass SB 303.

MR. REID: I second the motion.

MOTION CARRIED UNANIMOUSLY.

MR. TORVINEN: You could say in your trust agreement that the principal and interest could be determined by the application of NRS.

SENATOR SWOBE: This will cut the attorneys out of some cases.

SB 399: Adopts Uniform Disposition of Unclaimed Property Act.

SENATOR SWOBE: It would be better to have Mr. Daykin in on this one. He is the one that knows all about it.

SB 286: Provides for immediate suspension or expulsion of public students for certain reasons.

SENATOR SWOBE: Apparently, this has its origin in Clark County.

MR. BRYAN: Is there any other reason that it is bad?

SENATOR SWOBE: Mason and Gibson got together. When these fellows who have been arrested come back to school and tell all their stories of rape in the classrooms and so on, it is a very disrupting influence in the school. We amended it so that they couldn't expel a student for being arrested, but they could suspend him.

MR. BRYAN: In the testimony you heard on this: Did it show that this would pose any burden for the probation officers at the facility? To notify the principal of the school?

SENATOR SWOBE: There was not testimony to that effect. It was never discussed from that aspect.

MR. TORVINEN: Did Mason have any objection to the bill?

MR. KEAN: "Any felony or offense which if committed": Where does the element of proof start or end in this?

SENATOR SWOBE: With the arrest.

MR. KEAN: Then you have the problem of whether he is guilty.

MR. TORVINEN: If he is proved guilty, then you can expel him.

SENATOR SWOBE: He has an option to appeal this.

MR. KEAN: You are actually suspending him for something he is only accused of.

SENATOR SWOBE: True, but if you don't, you have the disruptive influence of these guys in the school.

Senator Gibson is really strong for this bill. Would you like to hear from him? I am sure he would like to discuss it with you.

(Senator Swobe reported a few minutes later that Senator Gibson would like to come in and speak to the committee on this bill but was not able to do so today.)

AB 765: Makes permissive justices' quarterly financial statements.

MR. TORVINEN: This is our own bill that we introduced.

MR. SCHOUWEILER: I want to make sure these JP's are still under some kind of control with this auditing, the same as other county office holders.

MR. BRYAN: George Franklin had no objection to doing away with the quarterly reports.

MR. TORVINEN: I wanted to get Robert Bruce, the fiscal analyst, in here to tell us about these audits, but no one answered the phone in their office.

MR. SCHOUWEILER: I would like to check on this in NRS.

AB 456: Provides for expungement of certain criminal records.

MR. KEAN: Dennis Wright says the procedural part of this comes right from California.

MR. BRYAN: This is much better than what we now have.

MR. FRY: Line 3, page 1: "convicted of any felony."

MR. REID: We can't expunge a record in California.

MR. FRY: Hannifin doesn't like section 3, starting with line 21. He likes the arrest record.

MR. BRYAN: There is no way we could expunge the arrest record. California has the CII and the FBI has its own set of records.

MR. TORVINEN: If you put on a job application that you had not been arrested you would be protected by this. Is that right?

MR. FRY: In line 3 add "in the State of Nevada."

MR. KEAN: I move Do Pass AB 456.

MR. REID: I second the motion.

MR. FRY: I amend Mr. Reid's motion to include the amendment "in the State of Nevada" to line 3.

MOTION TO DO PASS AB 456 CARRIED UNANIMOUSLY.

AB 766: Increases duration of support for illegitimate children.

MR. TORVINEN: This bill came about because of Mr. Hadley, when he was talking to us about the support law. 126. When there is a paternity suit and the court concludes he is the father and orders him to support the child until he is 16: Now we want to conform to the age 18 being used in all our statutes.

MR. PRINCE: I move Do Pass AB 766.

MR. KEAN: I second the motion.

MOTION CARRIED UNANIMOUSLY.

MR. BRYAN: On a divorce action this is the law at present.

SB 444: Provides for sales of rifles and shotguns to residents of Nevada and contiguous states.

MR. REID: I have had many letters on this bill.

MR. TORVINEN: This is the interstate purchase of shotguns and rifles under the new Crime Control Act. It is a reciprocal thing.

MR. REID: Nonresidents cannot buy guns other than in their own states?

MR. SWACKHAMER: I had a brochure on this. It provides a citizen contiguous to another state may purchase a rifle in that other state. For instance, a deer hunter from California comes in here to hunt and he loses his rifle. He can buy another one here.

MR. TORVINEN: California has a waiting period for the purchase of hand guns and people of unsavory character can come into Nevada and buy these.

MR. BRYAN: Boulder City is the only place in Clark County that does not have a waiting period.

MR. FRY: Is there any problem buying shells? Can I go to California and buy shells?

MR. SWACKHAMER: You can do that now. You have to give some data, but there is no nonresident restriction.

MR. REID: You would have this same problem buying shells no matter who you are. 2-267

MR. FRY: Then there is a restriction on my going to California to buy shotguns and rifles but no restriction on shells?

MR. SWACKHAMER: It isn't too difficult now to overcome these restriction and buy these firearms. See page 6.

MR. REID: I move Do Pass SB 444.

MR. BRYAN: I second the motion.

MOTION CARRIED UNANIMOUSLY.

AB 765: Makes permissive justices' quarterly financial statements.

MR. SCHOUWEILER: In the sections which we are amending which apply to NRS 400, there is nothing in there to indicate there is an annual accounting. However, the Annual Budget Accounting Act necessitates an annual audit of these JP's records. The JP's are under the Local Government Budget Act, and they have to prepare annual audits under the provisions of that Act.

It appears there is no problem and we could pass AB 765 with no complications.

MR. REID: I move Do Pass AB 765.

MR. PRINCE: I second the motion.

MOTION CARRIED UNANIMOUSLY.

SB 399: Adopts Uniform Disposition of Unclaimed Property Act.

FRANK DAYKIN: This is one of the Uniform Acts, that is it was prepared by the National Conference of Commissioners on uniform state laws. The effect is to put together and make a single provision for unclaimed property of all kinds.

We have a number of statutes in effect now concerning different kinds of unclaimed property. Where you report it and what you do with it and so on is not uniform.

This is based on a 7-year period. It would require everything to be reported to the State Treasurer, then notice would be published in each county that these certain things have been reported as unclaimed. Then, if it is unclaimed, the property can be sold or disposed of by the State Treasurer and the proceeds go into the Permanent School Fund as an escheat of the State.

Our present Escheat Laws apply only to property. This broadens it to include bank deposits, life insurance and many other things. All an estate has may escheat to the State. It means any property real or personal, and it passes to the State for lack of a rightful owner.

MR. KEAN: Let me clear one thing. Someone said here yesterday that "escheat" applies only in the event of death.

MR. DAYKIN: That is not right. It has a broader application than only

in the event of death. It includes accounts that have gone seven years²⁻²⁶⁸ without any word or contact. This unclaimed property law does not require going through any procedure to establish death.

MR. REID: I was in agreement with Mr. Torvinen that "escheat" applies only to cases involving death.

MR. DAYKIN: This is not the common lawyers understanding of the term "escheat", but it is the full definition.

MR. KEAN: Why do we separate where escheat money goes?

MR. TORVINEN: Because the Constitution says so.

MR. DAYKIN: The Constitution says it must go into the Permanent School Fund.

MR. KEAN: What about Railway Express stuff?

MR. DAYKIN: It doesn't say. I think they are selling the stuff and quietly pocketing the proceeds. There is no general statute on this at the present time and this new law would provide that.

MR. TORVINEN: We authorized the JP's to dispose of some small items and the county treasurer kept those proceeds. If we have this law, it will go to the regular escheat provisions.

MR. DAYKIN: We are not repealing that because it was not in existence at the time we drafted this.

MR. TORVINEN: What are we repealing?

MR. DAYKIN: Sections in the General Escheat Laws which are being superceded by the new law. 32.020, 78.292, 673.339, 690.180, 690.200, 690.210, 690.220, 690.230, 690.240, 690.250, 690.260, 690.270, 690.280, 690.290, 690.300.

MR. KEAN: I am disturbed about the seven years on bank accounts. If the bank mails a statement and it is not returned, would that be counted as a contact?

MR. DAYKIN: If the owner of an account has not increased or decreased or corresponded with the bank, then after 7 years it goes to the State.

MR. KEAN: Why don't we make it automatic that if the statement is not returned that the years go back to zero.

MR. DAYKIN: If we do that we will lose the uniformity with the Uniform Act. In addition, banks don't send savings account statements.

MR. TORVINEN: Somewhere in seven years they should return one if it was the wrong address.

MR. DAYKIN: If the interest is under \$10 they need not do this. The effect of the amendment is \$25.

MR. KEAN: Supposing the man is alive and intended to leave the money there seven years and then he asks for the money at the end of nine years?

MR. DAYKIN: He can reclaim from the State. The State is required to publish this and to send notice.

MR. KEAN: Page 6, line 13, provides for notice.

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MR. DAYKIN: Line 31 is the specific requirement for mailing the notice. Traveler's checks would not escheat for 15 years.

MR. KEAN: Can we include green stamps in here some way or another?

MR. DAYKIN: You could add sections to this that would add green stamps.

MR. KEAN: That would kill green stamps. It doesn't automatically do it?

MR. DAYKIN: No. No effect on or to express warehouses, storage houses, etc.

MR. TORVINEN: Storage fees expand automatically to the value of the merchandise.

MR. DAYKIN: Basically, I don't think this covers the warehouse situation. If merchandise is deposited for storage rather than for shipment then this would apply.

MR. TORVINEN: While we are on this SB 399, would you want to make a motion on bank deposits?

MR. DAYKIN: What constitutes a statement? Internal Revenue Service is the only one that requires notice of earnings.

MR. KEAN: There should be some way to remind the guy once in awhile that he has this account money on deposit.

MR. DAYKIN: Maybe we should add a requirement that the bank must remind a depositor every five years unless there has been correspondence. "The bank shall send statement of the amount of his deposit to the last known address if there is no correspondence for five years."

MR. TORVINEN: Should that go here or on the bank statute?

MR. DAYKIN: It can go here all right. There should be some way of indicating that the man must reply to this notice and then that would be correspondence.

MR. KEAN: Maybe the notice should include space for reply.

I move this amendment be made.

MR. LOWMAN AND MR. SCHOUWEILER seconded the motion.
MOTION CARRIED UNANIMOUSLY.

MR. DAYKIN: The notice should include reference to the provisions of this Act.

MR. REID: These notices may create a financial burden for the banks.

MR. DAYKIN: The notices will be required on those accounts only where they have not had correspondence or an increase or decrease in the account for five years. It would be done with IBM equipment. They are quick

enough to do this if it is for something in their favor.

MR. KEAN: I move Do Pass SB 399 as amended.

MR. LOWMAN: I second the motion.

MOTION CARRIED WITH MR. FRY AND MR. BRYAN VOTING NO.

MR. TORVINEN: I have here some Senate amendments to section 88, page 21, beginning at line 43, AB 399.

MR. DAYKIN: On line 43 there is a deletion of the word "or."

On line 45 (d) there is added another ground for the removal of a guardian and that is "the best interest of the ward will be served by the appointment of another person as guardian." This language is cribbed from the New York Statute.

MR. BRYAN: I move we concur with the Senate amendments.

MR. PRINCE: I second the motion.

MOTION CARRIED UNANIMOUSLY.

MR. TORVINEN: Our distinguished Minority Leader has been in to see us five or six times about AB 654.

MR. BRYAN: You have some amendments on that bill.

MR. REID: The way I remember we decided the bill was not really needed but would not hurt anything.

I move Do Pass AB 654.

MR. SCHOUWEILER: I second the motion.

MOTION CARRIED UNANIMOUSLY.

MR. LOWMAN: May I ask for concurrence on the amendments to AB 70 put on the bill by the Senate?

The Senate did not recede entirely from the 18-year old bit, but did agree to amend so that there would be an exemption for those youngsters working in the movies.

MR. FRY: Isn't that ridiculous?

MR. LOWMAN: No, because she has to have her parents permission to be working in there.

MR. SCHOUWEILER: They are hung up on 17. They want to include all the kids in high school. They hang together pretty much. Boy 17 takes a girl 16 to the movies. They feel we should lop it off at 18.

MR. BRYAN: The movie industry has the Code.

MR. KEAN: They insisted on the movies being in the bill.

MR. REID: Is the Senate enacting the Code section out of the bill? Yes.

MR. TORVINEN: Local ordinances have to be in conflict or more severe than the State Laws in order to stand.

MR. LOWMAN: The three of us thought we could live with this. Are you

in agreement with what we came back with from our first meeting? 2-271

MR. LOWMAN: I move we accept this amendment and concur.

MR. PRINCE: I second the motion.

MOTION FAILED, RECEIVING FOUR AYES AND FIVE NOES.

MR. SCHOUWEILER: Let's appoint another committee.

MR. LOWMAN: This is a procedure that will lose us our bill.

MR. KEAN: I don't think so.

MR. LOWMAN: How about setting a hearing for AB 392, the 30 day waiting period for divorces? How about next Monday?

MR. SCHOUWEILER: If people want to be heard they should contact the Chairman of the Committee.

I move we adjourn.

MR. FRY: I second the motion.

MOTION CARRIED UNANIMOUSLY.

Meeting was adjourned at 5:10 P.M.