

SENATE JUDICIARY COMMITTEE  
MINUTES

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Meeting was called to order by Chairman Monroe at 9:30 a. m.  
on March 21, 1969.

COMMITTEE MEMBERS PRESENT:

Senator Monroe, Chairman  
Senator Hug  
Senator Young  
Senator Bunker  
Senator Christensen  
Senator Dodge  
Senator Swobe

GUESTS:

Mr. Robert J. Smeath, Accountant, Kafoury, Armstrong &  
Bernard, CPA's, Reno, Nevada

Senator Chic Hecht  
Mrs. Shirley Wedow, Nevada State PTA Association, Sparks,  
Nevada.  
Mrs. Reeder, PTA Association, Carson City, Nevada  
Mr. Carl Soderblom, Reno, Nevada  
Mr. John R. Rubens, Century 21 Theatre, Reno, Nevada  
Mr. Fred Curtice, Century 22 Theatres, Sacramento, Calif.  
Mr. Harold Berg, Midway Drive-In, Reno, Nevada  
Mr. Ken Workman, United Artist Theatre Circuit, Reno, Nev.  
Mr. R. A. Smith, Fox West Coast Theatres.  
Mr. Bill Browne, Fox West Coast Theatres,

Mr. George Ogilvie,

SB 287 - Requires full disclosure in sales of subdivided land.

As a result of the hearing held on this bill yesterday, Senator Swobe moved to "Bucket" this bill.

Senator Dodge seconded the motion.  
Motion carried unanimously.

SB 288 - Provides in detail separate hearing procedure for Nevada commission on equal rights of citizens.

Senator Dodge would like to hear from a member of the commission on this. Chairman Monroe will contact Attorney General Dickerson regarding his deputy John Spann's opinion. Mr. Spann prepared the amendments.

SB 303 - Adopts uniform principal and income law.

Mr. Robert Smeath from the accounting firm of Kafoury-Armstrong & Bernard, CPA's from Reno, spoke to the committee on SB 303.

Mr. Smeath was chairman of a committee formed to try to solve some of the accounting problems. This effected attorneys, trust departments as well as accountants as it applied to administrating trust funds. At present there were no ground rules for allocations between the trusts and the interest earned by the trusts. Income for trusts varied and there should be ground rules as to what should be done with stock dividends, depreciation on property, what if there was lumber on the property, or mining interests?

There were more and more law suits being filed by beneficiaries and there are no laws in the Nevada statutes at the present time to be used for a foundation by accountants or trust officers to follow. A number of states, approximately twenty, have adopted a similiar code and California has a much stricter law, however the industry thought this was a good beginning and would give them some basic rules and as need be, it could be changed in the future.

SENATOR DODGE asked Mr. Smeath if there weren't accounting laws and laws set by the Internal Revenue that were used now.

Mr. Smeath advised there were but they wanted a uniform code for all to follow.

SENATOR SWOBE stated he had shown the bill to the Trust Department of a Bank in Reno and they thought it was good to have guide lines.

No further action was taken at this time.

AB 70 - Prohibits exhibition and sale of obscene material to minors.

Due to the inclement weather Mr. Lloyd Katz, President of the Nevada Theatre Corporation was not able to be present as planned, however Senator Hecht had talked to him on the telephone and stated Mr. Katz was concerned about the Section 11 of the bill. He felt it could put the movie industry out of business as they could be closed if a bear breast were shown on the screen. The movie industry had a strict grading system of their own and he felt any strict legislation on the movie industry would be a hinderance.

Mrs. Shirley Wedow, a representative of the Nevada State Parents Teacher's Association told the committee the PTA Association had tried to have legislation passed for several years to control the sale of obscene magazines on the newstands. She felt AB 70 was satisfactory and it did not conflict with any federal laws. The amendment adding Section 11 concerning the Motion Picture Association presented no problem as far as the PTA was concerned. They were not worried about the this industry but only about the material available in magazines that could be purchased or seen by a teenager at a newstand.

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There were three such magazines recently purchased by Mrs. Reeder in Carson City at Berger's News Stand and she has a dated receipt signed for their purchase. There was a small sign above the magazines "For adults only".

Mrs. Wedow advised that Mr. Torvinen had also purchased similar magazines in Reno. Senator Monroe had checked at Berger's Newstand last night but there were not on the shelves at that time.

Mr. Carl Soderblom had been in contact with Mr. Katz and discussed this with him at length. He did not represent the movie industry but was asked by Mr. Katz to present recommendations for amendments for AB 70 to the committee, which he did.

Chairman Monroe read a letter from Mr. Katz directed to Senator Hecht. (copy attached).

There was general discussion on the possibility of Section 11 being constitutional.

Chairman Monroe read a letter from Barbara Scott, Attorney for the Motion Picture Association from New York, regarding a Supreme Court decision in the case Ginsberg v. New York, which was held unconstitutional. (Copy of letter and opinion attached).

Mr. R. A. Smith, representative of Fox West Coast Industries stated the position of the Motion Picture industry and the situation of the obscene magazines was entirely different. He felt the language in this bill would classify the Industry in the same category as obscene literature.

The motion picture industry had placed in effect a code for all of their pictures produced since November 1968 and they had complete control as to admittance of anyone to the theatre. This was controlled at the box office. They could even keep a minor out of the theatre when accompanied by a parent. Their coding system was:

- G - General Audience
- M - Mature audience
- R - No child under 16 unless accompanied by parent
- X - No child permitted at all.

Mr. Smith asked for a one year moratorium for a chance to prove their coding system was effective in controlling the minor audience and if it was not satisfactory within a year, they would accept controlled legislation. He felt it could be a problem with two systems of control in effect.

Senator Dodge asked Mr. Smith if all pictures were coded.

All films produced since November 1, 1968 by the major companies, however the foreign films had no coding.

Senator Dodge asked how a double feature would be coded. Mr. Smith advised they would use the coding for the lowest rated picture and apply to both.

Chairman Monroe asked what could be done to an owner of the theatre that did not use the code and would let minors attend a picture rated as an R or X.

Mr. Smith advised this business was private enterprise and you could not actually prosecute or dictate to an individual how to run his private business, however he felt the industry did not want the minors to attend a low rated picture any more than the parents did as it could hurt their business as an individual.

There was considerable discussion between Mr. Smith and the committee members as to setting the age at 16 or 18. It was pointed out that for criminal purposes and permission to marry without consent the law in Nevada states the age of 18 and to change it would be in conflict with our own laws.

It was the general opinion of the committee that the age set as a minor in this should be changed to 18 years. They felt the ages between 16 and 18 were in the age bracket that needed controls and should have laws that could be used for enforcement. This would be a guideline.

Senator Swobe moved to remove Section 14 from the bill entirely and to change the definition of minor in section 5 from 17 to 18 years.

Senator Dodge seconded the motion.  
Motion carried unanimously.

SB 456 - Creates commission on crimes, delinquency and corrections and committee on peace officers' standards and training.

It was decided not to process this until there was a request for it.

SB 362 - Revises eminent domain procedures.

George Ogilvie cited an example where a garage was actually built on five parcels of land. The owners were able to get title to four parcels however they had to condemn the fifth parcel in order to get title. The judge took in under advisement and they were able to settle for \$25,000. A garage is considered for public use. This would provide some protection to the condemning agency.

This provides for a separate hearing before the trial and the use would be determined at that hearing as to whether it was for public use or not. Senator Swobe felt the two separate actions would be very costly to the landowner. He would have to have an attorney for both the hearing and trial and this would have to come out of his final settlement for the property.

Senator Young also felt this was unfair.

Mr. Ogilvie stated this was the least important part of the bill and if having that in would hold up passage he would consent to it being taken out. The main part of the bill was the amendment to Section 1.

The Committee will discuss this further at another meeting.

There being no further time, the meeting adjourned at 11:00 a. m.

Respectfully submitted,

Jeanne M. Smith, Secretary.

APPROVED: \_\_\_\_\_.



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GUILD THEATRE BUILDING  
POST OFFICE BOX 1180  
LAS VEGAS, NEVADA 89101  
(702) 384-3887; 382-8698

March 3, 1969

Senator Chic Hecht  
Nevada State Legislature  
Carson City, Nevada 89701

Dear Chic:

With further reference to our phone conversation, I have carefully perused the amended Assembly Bill No.70 as it relates to Section 11 covering the Motion Picture Association Classification System.

We are perfectly content with the incorporation of this into the bill except we are wondering if there is an area of confusion in view of the fact that under Section 11 -- item 2 -- it refers to a minor as under 16 years of age whereas in Section 5 minor spells out a person under the age of 17.

We are concerned that this may involve some confusion and we would respectfully request a clarification of this. Also, we would like to be assured that Section 11 supersedes the other provisions of this bill as it specifically relates to motion pictures.

Should you require an immediate contact in the Reno area, you can call Mr. Ken Workmen at the Granada Theatre in Reno who is familiar with this bill and what we are trying to accomplish.

We very much appreciate your cooperation in this matter and you can feel free to communicate with either Mr. Workmen or myself if there are any further questions in this matter.

Warmest personal regards.

Sincerely yours,

NEVADA THEATRE CORP.



Lloyd Katz  
President

LK/db



MOTION PICTURE ASSOCIATION OF AMERICA, INC.

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522 FIFTH AVENUE  
NEW YORK, N. Y. 10036

AIR MAIL

March 6, 1969

Senator Warren L. Monroe  
Chairman of Senate Committee on Judiciary  
State Capitol  
Carson City, Nevada

Re: Amendment 1484 to A.B. No. 70

Dear Senator Monroe:

I understand that you are interested in receiving comments on Amendment No. 1484, which would incorporate the ratings of the Code of Self-Regulation of the Motion Picture Association as the standard to be applied in relation to the exhibition of motion pictures to persons under 16 in the State of Nevada.

Although to our knowledge there have been very few cases dealing with the question of the delegation of legislative authority to a private body, such a delegation was held to be unconstitutional in an unreported Florida case (Cummins vs Coleman). The Florida censorship statute provided that motion pictures could not be exhibited unless they had been approved by the National Board of Review or the State Censorship Board of New York and was, therefore, held unconstitutional. I attach  
\* a copy of that opinion.

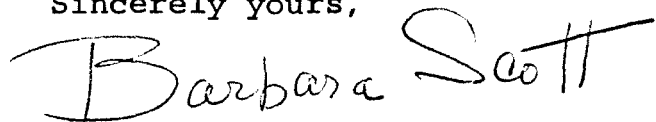
Several years ago, the City of New Haven proposed an ordinance which would have made unlawful the exhibition of any motion picture not approved by the Code of the Motion Picture Association. The corporation Counsel rendered an opinion stating that the proposed ordinance was defective in that it attempted an unconstitutional re-delegation of legislative power by the Board of Aldermen. His position was that a penal statute or ordinance must be self-containing- that is, that all the requisites to validity must be included within the provisions

of the statute, and that the ordinance itself must provide the yardstick by which to measure the conduct it penalizes. The effect of the proposed provision would be to penalize an exhibitor for violating some rule promulgated by either a voluntary group (not the Legislature) or the Legislature of some other state and the Legislature cannot constitutionally surrender its power to legislate.

Certainly there is serious doubt as to the constitutionality of such a delegation of power as that contemplated by Amendment 1484. It is clear, therefore, that the adoption of this amendment would put in jeopardy the constitutionality of A.B. No. 70 and would result in an early test of its constitutionality. This is particularly true since the United States Supreme Court, in Ginsberg v. New York, has already examined and approved as constitutional a statute almost identical with A.B. No. 70 as it would read without Amendment 1484.

For these reasons I am sure you would agree that it would be most unwise to enact Amendment 1484.

Sincerely yours,

A handwritten signature in cursive script that reads "Barbara Scott". The signature is written in dark ink and is positioned above the typed name and title.

Attorney for the  
MOTION PICTURE ASSOCIATION

\* Attach. (1)