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# Committee Brief

Assembly Committee on Commerce and Labor  
72<sup>nd</sup> Regular Session



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ASSEMBLY COMMERCE & LABOR  
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## TABLE OF CONTENTS

	<u>Page</u>
Introduction .....	1
I. Measures Considered During the 2001 Legislative Session.....	1
II. Jurisdiction of the Assembly Committee on Commerce and Labor.....	2
III. Selected Legislation Enacted in 2001 .....	3
IV. Issues That May Arise in the 2003 Session .....	7
V. Schedule for Implementation of the 120-Day Session.....	8
VI. Selected Agencies, Organizations, and Contact People.....	9
VII. Concluding Remarks .....	10

**COMMITTEE BRIEF FOR THE  
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

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This committee brief provides background information and summarizes major issues that are pertinent to the Assembly Committee on Commerce and Labor. This report includes the following:

- Highlights regarding the number of measures that were considered by the Committee during the 2001 Legislative Session;
- Details concerning the titles and chapters in the *Nevada Revised Statutes* (NRS) that fall under the jurisdiction of the Committee;
- A summary of selected legislation that was considered by the Committee during the 2001 Legislative Session;
- A brief overview of possible commerce and labor issues that may be considered by the Committee during the 2003 Legislative Session; and
- A list of the names and contact information of persons representing state agencies that may be expected to appear before the Committee to testify on various measures during the 2003 Legislative Session.

**I. MEASURES CONSIDERED DURING THE 2001 LEGISLATIVE SESSION**

During the 2001 Legislative Session, the Assembly Committee on Commerce and Labor considered a total of 130 bills and resolutions (96 Assembly measures and 34 Senate measures). Seventy-six of the measures were enacted into law. The following table shows these figures:

<i>Type Of Measure</i>	<i>Number Considered</i>	<i>Number Passed</i>
Assembly Bills	96	48
Senate Bills	33	27
Senate Resolutions	1	1
<b>Totals</b>	<b>130</b>	<b>76</b>

Of the 1,262 total bills and resolutions introduced in the 2001 Legislative Session, the Committee reviewed over 10 percent of them. None of the bills referred to the Committee and approved by the Legislature during the 2001 Session were vetoed by the Governor.

## II. JURISDICTION OF THE ASSEMBLY COMMITTEE ON COMMERCE AND LABOR

The Assembly Committee on Commerce and Labor has primary jurisdiction over measures affecting the following Titles and Chapters of *Nevada Revised Statutes* (NRS), except measures affecting state and local revenue:

<i>Title or Chapter</i>	<i>Description</i>
Title 52	Trade Regulation and Practices
Title 53	Labor and Industrial Relations
Title 54	Professions, Occupations and Businesses
Title 55	Banks and Related Organizations
Title 56	Other Financial Institutions
Title 57	Insurance
Title 59	Electronic Records and Transactions
Chapter 97	Retail Installment Sales of Goods and Services
Chapter 97A	Debt Evidenced by Credit Card
Chapter 99	Money of Account and Interest; Legal Investments
Chapter 100	Special Relations of Debtor and Creditor; Suretyship
Chapter 117	Condominiums
Chapter 118	Discrimination in Housing; Landlord and Tenant
Chapter 118A	Landlord and Tenant: Dwellings
Chapter 118B	Landlord and Tenant: Mobile Home Parks
Chapter 119	Sale of Subdivided Land: Licensing and Regulation
Chapter 119A	Time Shares
Chapter 119B	Membership in Campgrounds
Chapter 231	Economic Development and Tourism
Chapter 232	State Departments
Chapter 232A	Boards, Commissions and Similar Bodies
Chapter 237A	Foreign Trade Zones and Trade Districts
Chapter 274	Zones for Economic Development
Chapter 338	Public Works Projects

<i>Title or Chapter</i>	<i>Description</i>
Chapter 461	Manufactured Buildings
Chapter 461A	Mobile Homes and Parks
Chapter 489	Mobile Homes and Similar Vehicles; Manufactured Homes
Chapter 512	Inspection and Safety of Mines
Chapter 701	Energy Policy
Chapter 702	Energy Assistance
Chapter 703	Public Utilities Commission of Nevada
Chapter 704	Regulation of Public Utilities Generally
Chapter 704A	Facilities Placed Underground
Chapter 704B	Providers of New Electric Resources
Chapter 707	Telecommunications
Chapter 711	Community Antenna Television Systems
Chapter 712	Storage of Household Goods and Effects

### III. SELECTED LEGISLATION ENACTED IN 2001

During each session the Assembly Committee on Commerce and Labor considers numerous bills and resolutions on a wide range of topics including trade practices, labor and industrial relations, professional and occupational licensing, financial institutions, insurance, and electronic transactions. For the 2003 Session, Assembly leadership has reassigned the majority of Title 58 ("Public Utilities") to this committee.

Following are summaries of some of the major bills the Committee considered during the 2001 Session. The *Summary of Legislation 2001*, which is available from the Legislative Counsel Bureau's Publications Office (telephone: 775/684-6835), contains additional information and detail on specific measures from the 2001 Session.

**Assembly Bill 74** (Chapter 205, *Statutes of Nevada 2001*)—requires the Labor Commissioner to adopt regulations prohibiting the employment of children under 16 years of age in certain activities.

**Assembly Bill 123** (Chapter 578, *Statutes of Nevada 2001*)—mandates that if the Board of the Public Employees' Benefits Program provides health insurance through a plan of self-insurance, the Board must comply with various provisions in the insurance statutes in the same manner as a private insurer licensed under Title 57 of NRS. In addition, A.B. 123 requires that the Board must notify enrollees of any change in the premium for, or coverage of, health insurance at least 60 days before the enrollee must select or change a policy of health insurance. Further, the measure requires that an employee's portion of the payment of a premium for health insurance must be based on the actual cost of providing that health

insurance, after deducting the amount of the premium that is paid on behalf of the employee by the public employer.

**Assembly Bill 134** (Chapter 60, *Statutes of Nevada 2001*)—specifies payments that are to be made by insurers to pay for the program to investigate certain violations and fraudulent acts. The bill clarifies that money remaining in the special investigative account at the end of a fiscal year does not revert to the State General Fund and may be used in any subsequent year to pay the expenses of the program. Assembly Bill 134 requires that the Attorney General and the Commissioner of Insurance cooperate in preparing and submitting to the Governor a proposed biennial budget for the program. The bill also specifies that 15 percent of the money authorized for expenditure is to be used by the Commissioner to oversee and enforce the program to investigate certain violations and fraudulent acts, and 85 percent of the money is to be used by the Attorney General to investigate and prosecute insurance fraud.

**Assembly Bill 135** (Chapter 244, *Statutes of Nevada 2001*)—requires the Attorney General to establish an insurance fraud control unit. Assembly Bill 135 also gives the Attorney General primary jurisdiction to conduct criminal investigations into any acts of alleged insurance fraud. In addition, the measure provides that an insurer and certain other organizations and persons are deemed to be victims in cases involving insurance fraud for purposes of restitution. Assembly Bill 135 authorizes the court, in addition to other penalties, to order a person convicted of insurance fraud to pay court costs and the costs incurred in the investigation and prosecution of the case. Money awarded by the court to pay for the investigation and prosecution of a case must be used by the Attorney General to pay the expenses of the fraud control unit.

**Assembly Bill 151** (Chapter 18, *Statutes of Nevada 2001*)—changes the provisions of Chapter 599B ("Solicitation by Telephone") of NRS to require the Commissioner of Consumer Affairs, instead of the Attorney General, to make determinations regarding whether a person is required to register as a seller or salesman to perform solicitations by telephone. In addition, A.B. 151 clarifies the Attorney General's responsibility to provide to the Consumer Affairs Division, Department of Business and Industry, opinions on certain questions of law.

**Assembly Bill 160** (Chapter 108, *Statutes of Nevada 2001*)—provides that a sole proprietor who is working under contract with a state agency, political subdivision, or metropolitan police department is not required to obtain industrial insurance. In lieu of such coverage, the sole proprietor may submit to the state agency, political subdivision, or metropolitan police department an affidavit indicating that he has elected not to secure workers' compensation coverage. Further, a state agency, political subdivision, or metropolitan police department cannot require a sole proprietor to obtain industrial insurance coverage, but may furnish such coverage as agreed to in the contract. Finally, the bill allows an officer or manager who receives pay for his services as an employee of the corporation or company that he owns and operates from his primary residence to reject workers' compensation coverage.

**Assembly Bill 171** (Chapter 208, *Statutes of Nevada 2001*)—makes several technical changes to the existing law regarding repair of motor vehicles. First, A.B. 171 replaces the word “automobile” in Section 487.035 of NRS with the words “motor vehicle.” This change extends the protections of the law to owners of recreational vehicles, motor homes, and similar vehicles. Second, the measure exempts from the requirement to register to operate a garage certain businesses that already are licensed under other provisions of Nevada’s laws. Third, the bill requires that the Department of Motor Vehicles (DMV) waive the fee for the issuance or renewal of registration for certain businesses that are licensed under other provisions of NRS. These businesses include inspection stations; maintenance stations; certain manufacturers, distributors, sealers, or rebuilders; and automobile wreckers, salvage pools, and body shops. Finally, A.B. 171 authorizes the DMV to revoke or refuse to renew a certificate of registration of a person who fails to comply with an order of a court that relates to the repair of a motor vehicle. The bill requires that the department provide the person with a notice and hearing before it may revoke or refuse to renew the certificate of registration.

**Assembly Bill 204** (Chapter 65, *Statutes of Nevada 2001*)—expands the definition of deceptive trade practices to include knowingly falsifying an application for credit relating to a retail installment transaction. Also, A.B. 204 provides that, in addition to damages sustained, a court must award to a victim of a consumer fraud his costs in the action and reasonable attorney’s fees.

**Assembly Bill 313** (Chapter 388, *Statutes of Nevada 2001*)—creates a conclusive presumption that hepatitis is an occupational disease for certain salaried firefighters and emergency medical attendants.

**Assembly Bill 324** (Chapter 511, *Statutes of Nevada 2001*)—requires the holder of an escrow to record in writing the number and date of expiration of a mortgage broker’s or mortgage company’s license in connection with certain real property transactions. Additionally, the measure defines the term “private investor.” The bill also requires five hours of continuing education for certain mortgage licensees. Furthermore, A.B. 324 authorizes the Commissioner of Financial Institutions, by regulation, to increase certain fees pursuant to regulations. The bill also requires the Commissioner to conduct a formal exit interview in connection with the annual examination of a mortgage broker. Moreover, the measure makes certain changes in the requirements for mortgage broker advertisements. Finally, A.B. 324 makes certain changes regarding the use of powers of attorney.

**Assembly Bill 337** (Chapter 121, *Statutes of Nevada 2001*)—expands the definition of “deceptive trade practice” to include certain acts by persons during a telephone solicitation or a sales presentation. These acts include:

- Using threatening, intimidating, profane, or obscene language;
- Repeatedly or continuously conducting a solicitation or presentation in an annoying, abusive, or harassing manner;
- Soliciting a person by telephone at his or her residence between 9 p.m. and 8 a.m.; or



- Blocking or otherwise intentionally circumventing a caller identification service when placing an unsolicited telephone call.

The bill also authorizes a court to award reasonable attorney's fees and costs in addition to any other relief if a person has been found to have engaged in a deceptive trade practice.

**Assembly Bill 363** (Chapter 163, *Statutes of Nevada 2001*)—allows a patient to obtain his health records without charge if a copy of the records is necessary to support a claim or an appeal under any provision of the federal Social Security Act or under any federal or state financial needs-based benefit program. A provider of health care may charge a fee not to exceed 60 cents per page for photocopies, and a reasonable cost for copies of X-rays. A provider may not deny furnishing a copy of the records solely because the patient is unable to pay the fees. In addition, A.B. 363 requires that a provider furnish copies of health records within 30 days of receiving the request.

**Assembly Bill 618** (Chapter 446, *Statutes of Nevada 2001*)—provides for the regulation of the business of viatical settlements, which pertain to life insurance. The bill also revises licensing requirements for insurance agents and brokers to conform to provisions of the National Association of Insurance Commissioners' Producer Licensing Model Act, and revises the fees that must be paid by agents and brokers. The measure revises provisions for the licensing of insurance consultants to conform to the licensing and disciplinary procedures that are applicable to agents and brokers. The bill amends existing provisions relating to benefits for mastectomies to clarify that coverage includes reconstruction of the breast on which the mastectomy was performed, and surgery and reconstruction of the other breast to produce a symmetrical structure. Coverage also includes prostheses and physical complications of all stages of the mastectomy. Further, A.B. 618 revises provisions governing conversion of a domestic mutual insurance company to a stock insurance company, and related provisions that govern mutual insurance holding companies. Finally, the bill authorizes the Commissioner to adopt regulations relating to (a) electronic signatures, (b) any federal law concerning a bill of rights for patients, which is enacted after January 1, 2001, and (c) disclosure of nonpublic personal information pursuant to the privacy provisions of the federal Gramm-Leach-Bliley Act of 1999.

**Senate Bill 99** (Chapter 550, *Statutes of Nevada 2001*)—provides that a health insurer must pay interest on the late payment of an approved claim at a rate equal to the prime rate at the largest bank in Nevada, plus 6 percent. In addition, the bill establishes an unlimited administrative fine that the Commissioner of Insurance may impose on a health insurer who fails to substantially comply with the prompt payment provisions of the bill. The measure also prohibits a health insurer from charging a fee to a health care provider to be included on the list of providers given to insured persons and entities. Certain health maintenance organizations that contract with Medicaid are exempt from the provisions of the bill that require payment of medical bills within a specified time period. However, such organizations must pay interest to the health care provider at a rate equal to the prime rate at the largest bank in Nevada, plus 6 percent, on claims that are not paid within the time provided in the contract or agreement with Medicaid.

The bill requires a workers' compensation insurer to accept or deny a bill for accident benefits from a health insurer within 30 days of receiving the bill for accident benefits from a health care provider. If the bill for accident benefits is approved, the workers' compensation insurer must pay the bill within 30 days after it is approved. If the approved bill for accident benefits is not paid within that period, the insurer must pay to the health care provider interest at a rate equal to the prime rate at the largest bank in Nevada, plus 6 percent. In addition, the Administrator of the Division of Industrial Relations may impose on an insurer an unlimited fine for failure to substantially comply with these requirements for prompt payment of a bill for accident benefits from a health care provider.

Further, the bill provides that if a workers' compensation insurer denies payment of a medical bill, the insurer must provide notification of the denial to the employee. An employee who elects not to appeal the determination is responsible for payment of the medical bill. The employee who elects to appeal, but does not prevail upon appeal, is also responsible for payment of the medical bill.

Finally, the bill allows an employee whose employer has failed to secure or maintain workers' compensation coverage and who is injured or who contracts an occupational disease while on a temporary assignment outside of this state to receive compensation from the Uninsured Employers' Claim Fund if he has been denied workers' compensation in the state in which the accident occurred.

**Senate Bill 245** (Chapter 372, *Statutes of Nevada 2001*)—declares the practice of interpreting to be a learned profession, affecting public health, safety, and welfare, subject to regulation to protect the general public from the practice of interpreting by unqualified persons. The bill establishes qualifications for individuals who wish to engage in the practice of interpreting.

**Senate Bill 420** (Chapter 193, *Statutes of Nevada 2001*)—requires specified occupational licensing boards to file quarterly summaries with the Director of the Legislative Counsel Bureau indicating each disciplinary action taken during the preceding quarter against the holder of a license, certificate, registration, or permit issued by each board.

#### IV. ISSUES THAT MAY ARISE IN THE 2003 SESSION

Through review of the list of bill draft requests (BDRs), it is possible to anticipate some of the issues that will come before the Committee.

- The Committee can anticipate a number of bills relating to energy and public utilities, including bill drafts on the universal energy charge; electrical load aggregation; powers of the Southern Nevada Water Authority; jurisdiction of the Public Utilities Commission of Nevada and the office of the Consumer's Advocate; provision of electricity to the public by local governments; use of alternative energy; and renewable sources of energy.
- The Committee likely will review a number of measures related to insurance. Some of the likely topics include accreditation of the Division of Insurance by the National

Association of Insurance Commissioners, automobile insurance rates, use of credit scoring in insurance, external review of health insurance claims, health insurance, managed care organizations, medical malpractice insurance, owner-controlled insurance programs, regulation of insurance, self-funded health insurance programs, insurance coverage for water intrusion, and workers' compensation.

- Several bill drafts have been requested to amend laws relating to mortgage lending and mortgage investments.
- Bill drafts have been requested relating to professional and occupational licensure, including alcohol and drug abuse counselors, athletic trainers, certified court reporters, contractors, cosmetologists, dental hygienists, dentists, doctors, emergency medical technicians, hearing aid specialists, massage therapists, nurses, outfitters and guides, pharmacists, podiatrists, private investigators, social workers, travel agents, and veterinarians.
- Several bill drafts have also been requested relating to commerce and trade practices, including bills regarding a Commission on Investment, consignment sales, consumer protection, electronic commerce, identity theft, telephone solicitation, payday and title loans, trade practices by manufacturers of tobacco products, trademark infringement, and trade secrets.
- Other topics that may be addressed by the Committee include apprenticeship programs, manufactured housing, mobile homes and mobile home parks, payment of dues to labor organizations, prevailing wages, public works projects, telecommunications, and workplace safety.

## V. SCHEDULE FOR IMPLEMENTATION OF THE 120-DAY SESSION

This portion of the Committee Brief summarizes the schedule imposed by *The Constitution of the State of Nevada*, the *Nevada Revised Statutes*, and the joint rules, regarding the 120-day Legislative Session:

- **February 10:** Final BDRs for legislators due (limit of 2 per member of the Assembly).
- **February 24:** Final committee BDRs due (limit of 50 committee requests for each house, allocated by the leadership).
- **March 17:** Introduction of all bills requested by an individual legislator.
- **March 24:** Introduction of all bills requested by a standing committee.
- **April 11:** All bills to be passed (if at all) out of committee of reference in house of origin.
- **April 22:** All bills to be passed (if at all) out of house of origin.

- **May 16:** All bills to be passed (if at all) out of the committee of reference in the second house.
- **May 23:** All bills to be passed (if at all) out of the second house.

Prior to the April 11th deadline for passage of bills out of the committee of reference in the house of origin, the Assembly Committee on Commerce and Labor will have about 30 regularly scheduled meetings. As a point of reference, the Committee heard 96 Assembly measures in 2001, or an average of 3.2 bills per meeting.

## **VI. STATE AGENCIES INVOLVED UNDER THE JURISDICTION OF THE ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

Following is a list of information on agencies of the State of Nevada that frequently appear before the Assembly Committee on Commerce and Labor. This list is not intended to be exhaustive.

<b>AGENCIES RELATED TO WORKERS' COMPENSATION</b>		
<b>AGENCY</b>	<b>CONTACT</b>	<b>TELEPHONE</b>
Hearings Division, Department of Administration	Bryan A. Nix, Senior Appeals Officer	(702) 486-2546
Industrial Relations, Division of Department of Business and Industry	Roger Bremner, Administrator	(775) 684-7262 or (775) 684-7261
Nevada Attorney for Injured Workers, Department of Business and Industry	Nancyann Leeder, Esq.	(775) 687-4076

<b>ADDITIONAL AGENCIES</b>		
<b>AGENCY</b>	<b>CONTACT</b>	<b>TELEPHONE</b>
Business and Industry, Department of	Sydney H. Wickliffe, CPA, Director	(702) 486-2750
Consumer Protection, Bureau of (Consumer's Advocate), Office of the Attorney General	Timothy Hay, Chief Deputy Attorney General	(775) 687-6300
Employment Security Division, Department of Employment, Training, and Rehabilitation	Birgit K. Baker, Division Administrator	(775) 684-3909
Employment, Training, and Rehabilitation, Department of	Myla C. Florence, Director	(775) 684-3911
Financial Institutions, Division of Department of Business and Industry	L. Scott Walshaw, Commissioner	(775) 684-1830
Insurance, Division of Department of Business and Industry	Alice A. Molasky-Arman, Commissioner	(775) 687-4270
Labor Commissioner, Office of Department of Business and Industry	Terry Johnson, Labor Commissioner	(775) 687-4850
Manufactured Housing Division, Department of Business and Industry	Renee Diamond, Administrator	(702) 486-4278
Nevada State Office of Energy	Carl Linvill, Administrator	(775) 687-5975 (775) 684-5643 (direct)

ADDITIONAL AGENCIES		
AGENCY	CONTACT	TELEPHONE
Professional and Occupational Licensing Boards <sup>1</sup>		
Public Utilities Commission of Nevada	Don Soderberg, Chairman	(775) 687-6077
Real Estate Division, Department of Business and Industry	Gail J. Anderson, Administrator	(702) 486-4033, Ext. 221
Risk Management Division, Department of Administration	Sue Dunt, Risk Manager	(775) 684-7057
Workers' Compensation Fraud Unit, Office of the Attorney General	Kevin Higgins, Chief Deputy Attorney General	(775) 688-1830
Workforce Investment Support Services, Department of Employment, Training and Rehabilitation	Valorie Hopkins, Chief	(775) 684-0301

<sup>1</sup> There are 32 Professional and Occupational Licensing Boards subject to the jurisdiction of the Assembly Committee on Commerce and Labor. Information on these boards can be found beginning on page D-116 the *Nevada Legislative Manual 2003*.

## VII. CONCLUDING REMARKS

The Research Division is available to provide the Committee and its members with assistance on any issue related to matters before the committee. In addition, the Research Division provides individual members of the Legislature with information and assistance, on a confidential basis, on any topic.

The Research Division is located on the first floor of the Sedway Office Building (telephone: 775/684-6825) and also maintains an office in Room 1202 of the Legislative Building. Please do not hesitate to ask us for assistance.