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Phil Rejholec  
Above All Travel

Sylvia Sparks  
Bonanza Travel

Dave Wendell  
Master Kilby's

Len Marazzo  
Beyond Travel

Julie Harpigny  
Canary Travel

Jose' Brito  
Deluxe Travel

Bob Conway, CTC  
Ambassador Travel

George Weeks  
Un's Travel

Jan-Marie Brown, CTC  
Uniglobe Happy Travel

ASSEMBLY COMMERCE & LABOR

DATE: 4/2/03 ROOM: 4100 EXHIBIT ✓

SUBMITTED BY: PHIL REJHOLEC

V-1 of 3

1. Section 2-delete entirely. We cannot allow the Commissioner to change the regulations at will.

There is no due process in this method.

Section 2 reads: The Commissioner may adopt such regulations as the Commissioner determines are necessary to carry out and administer the provisions of this section and NRS 598.305 to 598.395, inclusive.

2. Our inclusion in NRS598 (deceptive business practices) is an affront to the integrity of legitimate business owners who are being likened to telemarketers, door-to-door salesmen and adult cabarets, etc. We cannot receive the bonding or surety required if it is categorized under this heading. It is also a negative connotation that we do not deserve.

3. Section 3-1b-Commissioner states here that the annual fee is \$100. It contradicts Section 7-1b where the fee is \$25. Since this was not red lined out on the bill draft, doesn't that contradict itself?

4. Section 3-1C-delete The ARC accreditation and bond is the current industry standard for judging the credibility of the person receiving the business license. This method is used nationwide when applying for entry into the travel business. The owners' personal financial statements are required and reviewed by an independent board who makes the assertion that the candidate meets the requirements to sell airline tickets to the public.

5. Section 3-4b Renewal fee is currently \$25. This passage states that "paying to the Division a renewal fee of \$100.00. This contradicts Sec.7-4b which states "paying to the Division a renewal fee of \$25.00. Again, the sections are not cohesive.

6. Section 7-1c retain original wording "if any" in reference to posting a surety in lieu of the ARC bond.

Section 7-2a delete "as required" from the wording and retain the original "if the seller of travel is required to deposit security"

7. Section 8 requires each seller of travel to be bonded or carry a surety. This extends beyond the business and requires each

employee to be personally bonded.

Section 8-4 states that a seller of travel may apply for a reduction of security if they provide the Commissioners office with a copy of the federal income tax return or audited financial statement of the seller of travel for its immediately preceding fiscal year.

This is a rather onerous requirement.

Sections 8-4 through 8-5 references a sliding scale of security required based on gross sales. The scale is arbitrary and unnecessary if the terms of the original law were retained.

8. Section 10-4,5,6 imposes the same requirements for tour operators and tour brokers with the same arbitrary sliding scale of security.

9. Why does the Commissioner feel the need to add additional requirements to a law that she has not obtained 100% compliance with since the law was adopted in 2001?

What is the Commissioner of Consumer Affairs doing to enforce 100% compliance with the law? What is the percentage of people meeting the legal description of "sellers of travel" who are in compliance with the law compared to those who have not registered?

How many complaints have been filed against travel agencies who are registered versus those who are not registered?

Don't the majority of those who have complaints against them operate outside the scope of the law adopted in 2001? If that's the case, then changes to the law are not the basis, but enforcement of the law as written should be the focus. If the Consumer affairs Division is unable to enforce the law, then the law should be stricken since it is a failed attempt at regulation.