

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

**Seventy-Fourth Session
February 23, 2007**

The Committee on Commerce and Labor was called to order by Chair John Oceguera at 11:44 a.m., on Friday, February 23, 2007, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/74th/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman John Oceguera, Chair
Assemblywoman Francis Allen
Assemblyman Bernie Anderson
Assemblyman Morse Arberry, Jr.
Assemblyman Chad Christensen
Assemblywoman Heidi S. Gansert
Assemblyman William Horne
Assemblywoman Marilyn Kirkpatrick
Assemblyman Garn Mabey
Assemblyman Mark Manendo
Assemblyman David R. Parks
Assemblyman James Settlemeyer

COMMITTEE MEMBERS ABSENT:

Assemblyman Marcus Conklin, Vice Chair (excused)
Assemblywoman Barbara E. Buckley (excused)



GUEST LEGISLATORS PRESENT:

Assemblywoman Bonnie Parnell, Assembly District No. 40, Carson City
Assemblywoman Peggy Pierce, Assembly District No. 3, Clark County

STAFF MEMBERS PRESENT:

Brenda Erdoes, Committee Counsel
Dave Ziegler, Committee Policy Analyst
Earlene Miller, Committee Secretary
Gillis Colgan, Committee Assistant

OTHERS PRESENT:

Ronald P. Dreher, Government Affairs Director, Peace Officers Research
Association of Nevada
Rob Holley, President, Park Ranger Association of Nevada
Domenic Bravo, Vice President, Park Ranger Association of Nevada
Susan Dunt, Risk Manager, State of Nevada
Bill Uffelman, President and CEO, Nevada Bankers Association
Bob Roshak, representing Nevada Sheriffs' and Chiefs' Association

[The roll was called and a quorum was present.]

Chair Ocegüera:

I will open the hearing on Assembly Bill 89. Ms. Parnell, welcome to the
Committee on Commerce and Labor.

**Assembly Bill 89: Revises provisions regarding industrial injuries and
occupational diseases to include certain park rangers as police officers.
(BDR 53-849)**

Assemblywoman Bonnie Parnell, Assembly District No. 40, Carson City:

I am sponsoring this bill in an effort to achieve parity with all Category I law
enforcement officers with regard to heart and lung coverage. The only
remaining police officers who do not fall under the heart and lung coverage are
Nevada's Park Rangers. *Nevada Revised Statutes* 289.260 grants the
designation of a Category I law enforcement officer to Nevada's Park Rangers.
Page 2, section 1, subsection 12 of the bill simply adds the Park Rangers to the
existing statute with regard to heart and lung coverage. On page 3, there is a
fiscal note which will be discussed later. This is the fiscal note for granting the
physical examinations required before heart and lung coverage is granted. Our

Park Rangers are Category I law enforcement officers, but they have never had heart and lung coverage and have been mischaracterized as to their duties and responsibilities. I want to bring attention to what they do, and to address the inequity of who currently receives the coverage, and how it will be corrected by passing this bill.

Ronald P. Dreher, Government Affairs Director, Peace Officers Research Association of Nevada:

[Spoke from prepared testimony ([Exhibit C](#)) for first two paragraphs.]

Assembly Bill 89 eliminates disparate treatment of our State peace officers. It provides recruitment and retention tools that the agency currently lacks. Most law enforcement agencies in this State do not require a Bachelor of Science degree, but the Park Rangers' agency does. This bill also provides them with baseline testing for hepatitis and assists State Risk Management with assessing potential heart and lung claims by providing an appropriation or yearly heart-lung physical afforded to all other Category I law enforcement officers. State Risk Manager Susan Dunt will explain those portions of the bill. These officers are our first responders to those citizens who utilize Nevada's great outdoors. They are first responders and provide cover for other law enforcement agencies. They protect and serve our citizens.

I would like to introduce State Park Rangers, Rob Holley and Domenic Bravo. They are here today on their own time. They will outline for the Committee the reasons they should receive the same benefits as other law enforcement officers covered under the aforementioned Nevada Revised Statutes. On behalf of our State's professional peace officers, I respectfully request this Committee to support and pass A.B. 89.

Rob Holley, President, Park Ranger Association of Nevada:

[Spoke from prepared testimony ([Exhibit D](#)).]

There are currently 33 Category I law enforcement officers with the Division of State Parks. These are the only officers in the State who do not have heart and lung or infectious disease coverage. As a Park Ranger, I respond to the same emergencies as other Category I law enforcement officers, I provide law enforcement cover, and assist cooperating agencies. I am subject to the same cardiovascular and infectious disease risks as other officers but do not have the same health coverage. My fellow State Park officers perform the same frontline functions in each of Nevada's State Parks. Assembly Bill 89 also contains funding to provide additional cardiac testing for officers over the age of 40. I ask for passage of this bill so these officers, who are subject to the same dangers, receive the same coverage as their counterparts.

Chair Ocegüera:

Mr. Bravo, I have your written statement, if you could summarize that.

Domenic Bravo, Vice President, Park Ranger Association of Nevada:

I provided a brochure which gives you an overview of the statistics and a few stories about the Nevada State Park Rangers ([Exhibit E](#)).

The real need for A.B. 89 is not only because of our law enforcement function, but because we are also the first responders for emergency medical service and to fires. We help with everything from homicides, drug related incidents, child abductions, domestic violence, and gangs. Additionally, we do search and rescue and fight wild land fires. Agencies utilize the Park Rangers to provide needed coverage. Studies have proven that State and Federal Park Rangers are the most commonly assaulted officers because of the conditions and crimes with which they deal. Crimes and violence that are in the cities are also in the parks. I ask for your support of A.B. 89 so the families of all our State Park Rangers are treated equally for the services provided ([Exhibit F](#)).

Assemblyman Anderson:

How long have the Park Rangers been classified as Category I law enforcement officers?

Rob Holley:

The Division's officers have been Category I since they began the law enforcement program, which I believe was in the 1970s.

Assemblyman Anderson:

Why is age 40 requested for the heart and lung testing?

Rob Holley:

The State Risk Manager is better able to answer that question.

Chair Ocegüera:

Are there any further questions from the Committee? To reiterate, all the Park Rangers are Category I law enforcement officers. There are 33 of them and there is no other class of law enforcement officer. Is the issue of 40-year-olds receiving heart and lung screening in the bill?

Ronald P. Dreher:

That would not be in the bill because that is part of the heart and lung physicals that would be administered according to age break downs.

Chair Ocegüera:

Are there further questions from the Committee?

Susan Dunt, State of Nevada Risk Manager:

Our office administers the Workers' Compensation program for State employees. One of the difficulties that has happened in the past with the heart-lung bill and the inequity among the State peace officers has been caused by a list established by NRS 617.135. It identifies by job position, employees who are eligible for this benefit. How this list is formed is a mystery to everybody. Every year when we try to make this a level playing field for our law enforcement officers, all of the groups want to be added. This bill has a potentially large fiscal impact on the Workers' Compensation fund. For approximately eight years, we have worked with our various law enforcement groups to gradually incorporate new groups of employees, as we are able each session, so we can minimize the fiscal impact if we do have disabling heart or lung claims. Our office has put together a very effective loss prevention program to help minimize the cost of the claims and the incidence of claims that we have in place. We have been working with the State Parks for about four years to develop a fitness program and a wellness program to prepare their employees to take better care of themselves and to improve their life styles to help minimize risk. Last biennium, there was an appropriation attempt made to allow them to have the funding for physicals. From a fiscal perspective, if we can do a baseline physical and then put the benefits into place, it can dramatically reduce the fiscal impact of adding a group of people. We believe that if this bill is written carefully, and we are able to have a short period of time to do the baseline screening and then add the benefits at three to six months into the cycle, we will be able to greatly minimize the fiscal impact and could absorb the costs under the current appropriations in our Workers' Compensation program. The people with whom we are working seem very willing to make minor changes to the dates in the implementation to help minimize the fiscal impact.

Under the heart-lung program, an employee has to be employed in an eligible position for five years to be eligible for the benefit. The regulations mandate the employees participate in the stress treadmill test at age 40. The development of heart disease increases greatly after the age of 40. When we are doing actuarial projections to try to determine costs, and project when we might see claims in a group of people, we look at their ages as one of the factors. Of this particular group, I believe there are 15 employees who are over the age of 40.

About seven of them do not have the required five years of service to qualify for the coverage. Going into this program, we have about 25 employees eligible for the benefit if heart or lung disease is discovered by their physicals. From a fiscal perspective, I believe that we could absorb the cost of any additional claims if we are allowed to have time to implement the loss prevention program.

Chair Oceguera:

Are there any questions?

Assemblyman Settlemeyer:

Is this the last group to be merged into the heart-lung program?

Susan Dunt:

To my knowledge, this is the last group of Category I law enforcement officers that are not yet included in the heart-lung program.

Assemblyman Settlemeyer:

Is there any way to mandate that people take the dye test to detect problems before they become life threatening?

Susan Dunt:

There is new technology that is available for more extensive diagnostic testing. The State is looking into incorporating that type of diagnostic testing into our physical exams. We believe that there are better tests, and we rely on the doctors to evaluate the risk factors that the employee presents. If the employees have multiple risk factors or abnormalities, they would be referred for the stress test which uses dye. There are other tests available, and as we progress with our program and work with cardiologists, the State is considering incorporating additional tests into our physical exams which diagnose "soft plaque" which can cause sudden death.

Assemblyman Mabey:

If someone has the tests and it is determined they have heart disease or an infectious disease, will they then become part of the program, or are they excluded?

Susan Dunt:

If all the employees are grandfathered in, there is no opportunity for loss control to prevent those from becoming claims. If you allow a period of time to do screening, and if employees have the disease, they do not have the conclusive presumption that they would get by having the full coverage. They would have what we call a rebuttable presumption where there could be some ability to challenge whether or not it was work related. That is what we are trying to

accomplish by having a baseline screening period. Anyone who does have heart or lung disease at that time would not automatically get coverage. It would be looked at on a case by case basis which allows for better control of that program. The program has two aspects. It is a conclusive presumption for the employee, provided that he attempted to correct his risk factors which were identified in the physicals. If the employee makes no attempt to make any improvements in his health conditions and develops a heart or lung disease, there is a strong likelihood that his claim will be denied. As long as the employee makes an effort to take care of himself, then he has a conclusive presumption that he has heart or lung disease caused by his occupation and will get full benefits under Workers' Compensation, including permanent total disability benefits.

Assemblyman Mabey:

Could you please talk with me outside of the Committee meeting? I would also like to know how much we pay out per year for benefits under this program.

Assemblyman Anderson:

Would the employees have the opportunity to explain what factors contributed to their physical condition?

Susan Dunt:

There are two provisions under the Workers' Compensation statutes when an occupational disease can be accepted. The heart-lung is conclusive presumption and the employee does not have to prove anything. If he had his physicals, made a reasonable attempt to correct his risk factors, and has five years of service, no matter his age, he is covered. Under the occupational disease provision, independent from the heart and lung, if an employee can establish that his exposure was primarily from his job, he would have the opportunity to file a claim. If medical evidence supported it, he could get coverage under the general occupation disease provision. It would just be more difficult because he would not have the luxury of the conclusive presumption.

Assemblywoman Gansert:

Have you ever declined someone because he has not made efforts?

Susan Dunt:

We have denied claims because employees have not taken steps to correct their predisposing risk factors.

Assemblywoman Gansert:

Do you screen individuals annually?

Susan Dunt:

Yes, we screen annually. I have a full time occupational nurse whose entire job is monitoring and managing the physicals and doing follow-up.

Assemblyman Horne:

There is a way to deny claims that are not based on employment. How do you determine the fiscal impact?

Susan Dunt:

It is difficult to accurately project the fiscal impact, and we rely on national statistics. In some cases, we utilize a full actuarial study in regard to a program. With this group of people, I do not know if an actuarial study would give us any more information than experience could give us. We look at age and risk factors. The standard statistic would be to expect that one out of four of these employees is going to develop heart disease, based on national statistics. To mitigate that, you consider if they have a wellness program, a fitness program, do they smoke, and what kind of follow-up can we do to address their risk factors? That is how we can less conservatively project what that impact would be. We added the game wardens last session. We had worked with them for a period of time and we have had zero heart claims to date. I am optimistic that the Park Ranger group is making a good effort to participate in their wellness and fitness programs. With our loss prevention program and our familiarity with this group, I believe we will be able to come under the one out of four statistic.

Assemblyman Horne:

Do you take into consideration the cost of care in Nevada or the cost of care nationwide?

Susan Dunt:

We look at the average cost that we have under our Workers' Compensation program which would probably be less than standard private health costs.

Chair Ocegüera:

Are there further questions from the Committee? Are there others wishing to testify on A.B. 89?

Assemblyman Anderson:

Is there another amendment to the bill?

Susan Dunt:

Our plan is to ask for an amendment to allow us to have the period of July through October to do baseline screening and to have the benefits available after October.

Ronald P. Dreher:

The Park Rangers agree to the amendment. It gives everyone a period of time to go through the baseline testing and gives the employee an opportunity to take the test if he desires. If he does not want to, it remains a rebuttable presumption.

Chair Oceguera:

Is that what you will put in the amendment, that it will be a rebuttable presumption if they choose not to?

Ronald P. Dreher:

Let me correct that, Mr. Chairman. We have language in NRS 617.485 and NRS 617.487 that we will ask the Legislative Counsel Bureau to look at and duplicate as we did for the hepatitis screening.

Chair Oceguera:

Are there any other questions?

[For the record, the Committee has accepted a statement ([Exhibit G](#)) sent in by Michael B. Neville, President of the Washoe County District Attorney Investigator's Association and Board Member of the Peace Officers Research Association of Nevada, who did not testify.]

We will close the hearing on A.B. 89.

I have two Committee bill draft requests to be considered. They concern:

- Agreements with contractors and subcontractors.
- The issuers of credit cards.

ASSEMBLYMAN ANDERSON MOVED TO ACCEPT THE TWO BILL DRAFTS.

ASSEMBLYMAN PARKS SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN BUCKLEY AND ASSEMBLYMAN CONKLIN WERE NOT PRESENT FOR THE VOTE.)

I will submit those on behalf of the Committee on Commerce and Labor.

I will open the hearing on Assembly Bill 114.

Assembly Bill 114: Makes various changes concerning the protection of personal identifying information. (BDR 8-406)

Assemblywoman Peggy Pierce, District No. 3, Clark County:

I am here to present A.B. 114. In 2006, identity theft costs were estimated at nearly \$57 billion and affected nearly 9 million Americans. The average fraud amount per victim was \$6,383, and they typically spent an average of \$422 and 40 hours of time to resolve identity fraud cases. According to one survey, 41 percent of victims were still dealing with identity theft problems two years after the crime was discovered, and 27 percent were still dealing with it three years later. I gave you a graph that indicates that Nevada ranks second in the number of identity theft victims with over 3,000 victims in 2005 ([Exhibit H](#)). Las Vegas ranks second behind Phoenix in per capita rates for identity theft with 158 complaints per 100,000 population, while Phoenix had 178 complaints. Credit card fraud, which is the subject of A.B. 114, is the most common identity theft complaint and accounts for over one quarter of all complaints. Although new account holders comprise only one third of credit fraud victims, those people suffered two thirds of the direct financial harm. A.B. 114 states that if a credit card company gets back one of their offers, and if it has a name on it, but not the address where the original offer was sent, they have to investigate. They have to make an effort to contact the applicant to verify identity and be sure the applicant is the person who completed and returned the credit card application. There is a proposed amendment to the bill which would on page 1, line 5, insert the word "substantially" before the word "different." I support that amendment.

Chair Ocegueda:

Ms. Pierce, can you tell us how this is suppose to work?

Assemblywoman Pierce:

The credit card company can telephone the person by using a telephone book or a data base. They could request confirmation, such as a driver's license, social security card, or another standard form of identification.

Chair Ocegueda:

Do you think this will really stop someone from committing fraud against the credit card company? What if the company gets the credit card application and telephones the person who sent it from a different address and that person confirms he is the correct person?

Assemblywoman Pierce:

The phone number is likely to match the name of the person who originally received the credit card offer.

Chair Ocegüera:

Are there any questions from the Committee?

Assemblyman Anderson:

Ms. Pierce, I understand that you have potentially agreed to the amendment from the Nevada Bankers Association. I need some clarification. Would changing apartments at the same address meet the criteria for "substantial?" What would the word "substantial" mean to the banking industry?

Assemblywoman Pierce:

From one apartment to another is a substantial difference to me. Something that would not be significant would be a misspelling of a street name or an abbreviation.

Bill Uffelman, President and CEO, Nevada Bankers Association:

I agree that changing apartment numbers is a substantial change. That is a change in your postal address. It would also show as a change in your credit bureau report. We are trying to avoid the small changes like misspellings and abbreviations in going through an extensive verification process versus a legitimate change of address.

[Mr. Uffelman submitted a proposed amendment to A.B. 114 ([Exhibit I](#)).]

Assemblyman Anderson:

"Substantial" is an ambiguous, non-defined term. I live in an area with streets with very similar names. It is not unusual to receive erroneously sent mail because one word on the street name is different. What would constitute "substantial?"

Bill Uffelman:

An entire word difference in an address would be substantially different and would trigger an investigation.

Assemblyman Settlemeyer:

How many people would this affect?

Bill Uffelman:

This program is not something new to the industry. It has been building over the years. It is already doing these things and has reduced fraudulent applications because it costs the industry. When fraud is exposed, the industry is at risk. Recent statistics indicate that 22.61 percent of identity theft is done by friends, relatives, and employees who work in the victims' homes. Ten percent of the cases were due to corrupt businesses and employees. The industry and consumers are focused. Consumers are more aware of how their personal information can be misused. Banks are more resistant to opening accounts for people with little documentation of their identity. Identity theft and its consequences have become significant. Losses from fraud fell 11.5 percent last year to \$49.3 billion while the number of victims decreased 5.6 percent to a national number of 8.4 million. Because people are paying attention, the statistics have improved.

Assemblywoman Pierce:

On the graph, Nevada is at the top. We have 130 victims per 100,000 as compared to North Dakota which has 24 per 100,000. There is a large range and we are at the top.

Assemblyman Settlemeyer:

I agree that we should do everything possible to help.

Chair Ocegüera:

Are there any further questions? Are there others wishing to testify in favor of the bill?

Bob Roshak, Las Vegas Metro, Nevada Sheriffs' and Chiefs' Association:

We support the concept of this bill, but we have a concern with section 1, subsection 2b, which deals with requiring an individual to place a copy of his Social Security card with the application and mailing it. We feel that invites identity theft. We have a lot of problems in southern Nevada with thefts out of mail boxes; therefore, something else should be considered.

Chair Ocegüera:

Mr. Roshak, please discuss that issue with Ms. Pierce. Are there any further questions? Are there any others wishing to testify in favor, neutral, or opposed on A.B. 114?

We will close the hearing on A.B. 114. Assemblywoman Pierce, I assume you will work on those concerns and get back to me.

Assemblywoman Pierce:

Yes.

Chair Oceguela:

Is there anything else to come before the Committee or from the Committee?

Is there any public comment? Not seeing any, we will adjourn.

[The meeting adjourned at 12:39 p.m.]

RESPECTFULLY SUBMITTED:

Earlene Miller
Committee Secretary

APPROVED BY:

Assemblyman John Oceguela, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Commerce and Labor

Date: February 23, 2007

Time of Meeting: 11:44 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 89	C	Ronald P. Dreher Government Affairs Director Peace Officers Research Association of Nevada	Prepared Testimony
A.B. 89	D	Rob Holley, President, Park Rangers Association of Nevada	Prepared Testimony
A.B. 89	E	Domenic Bravo Park Ranger Association of Nevada	Brochure: <u>Keeping Nevada Safe</u>
A.B. 89	F	Domenic Bravo, Vice President Park Ranger Association of Nevada	Prepared Testimony
A.B. 89	G	Michael B. Neville, President Washoe County District Attorney Investigators' Association	Letter
A.B. 114	H	Assemblywoman Peggy Pierce, District 3, Clark County	Identity Theft Graph
A.B. 114	I	Bill Uffelman, President and CEO, Nevada Bankers Association	Proposed Amendment