

**MINUTES OF THE
SENATE COMMITTEE ON COMMERCE AND LABOR**

**Seventy-fifth Session
February 4, 2009**

The Senate Committee on Commerce and Labor was called to order by Chair Maggie Carlton at 1:37 p.m. on Wednesday, February 4, 2009, in Room 2135 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Maggie Carlton, Chair
Senator Michael A. Schneider, Vice Chair
Senator David R. Parks
Senator Allison Copening
Senator Dean A. Rhoads
Senator Mark E. Amodei
Senator Warren B. Hardy II

STAFF MEMBERS PRESENT:

Suzanne Efford, Committee Secretary
Brenda J. Erdoes, Legislative Counsel, Legislative Counsel Bureau
Vicki Folster, Committee Secretary
Kelly S. Gregory, Committee Policy Analyst
Mary Lee, Committee Manager
Daniel Peinado, Committee Counsel
Carol Allen, Committee Secretary

OTHERS PRESENT:

Gina Spaulding, Executive Director, State Board of Architecture, Interior Design and Residential Design

CHAIR CARLTON:

We will open the meeting by introducing committee members, support staff, and rules and procedures ([Exhibit C](#)).

Generally, the Senate Committee on Commerce and Labor will have jurisdiction over trade practices, labor employment, workers' compensation, occupations and professions, banks, financial institutions, insurance and manufactured housing.

There will be a few variables. We have committee members who have bills they would like to introduce. When we take a closer look at them, we will make the appropriate committee referrals on the floor.

SENATOR HARDY MOVED TO ACCEPT THE SENATE COMMITTEE ON COMMERCE AND LABOR STANDING RULES.

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

SENATOR HARDY:

I do not know what the rules are right now I know the rules we adopted There is a case pending before the U.S. Supreme Court ... or the State Supreme Court ... on our ethics status So until that is resolved, I'm going to be a pain in everyone's neck and disclose - out of an abundance of caution.

As you know, many of these issues we deal with in this Committee have to deal with the construction industry. So I want to start my disclosures this Session by disclosing for the record, that I am president of the Associated Builders and Contractors of Las Vegas. We represent the nonunion construction sector. Much of what we deal with will not impact my members any more than it does any other member of the construction industry, but I will be making these kinds of disclosures often as such ... and until the issue is resolved before the Supreme Court, and we know that we have control over itself I just wanted to start out fresh and make that disclosure because some of these issues do in fact impact some of the members of the construction industry.

CHAIR CARLTON:

We will open the hearing on Senate Bill (S.B.) 15.

SENATE BILL 15: Ratifies corrections of certain errors in real estate provisions and revises related provisions in a legislative enactment from a previous session. (BDR 54-661)

BRENDA ERDOES (Legislative Counsel, Legislative Counsel Bureau):

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I am disclosing that I am part of the Legislative Counsel Bureau's nonpartisan staff, and we do not support or oppose bills. This bill is brought to you as part of my job, to bring things to your attention that need to be changed. Senate Bill 15 is a bill that is one-half ratification and one-half regular bill. Ratification brings legislation in line with legislative intent, and we are correcting errors or fixing conflicts. This codification will make the bill better, but not make substantive changes. That is section 1 of this bill.

Section 2 repeals change that was made. Senate Bill No. 476 of the 74th Session transferred regulatory and licensing authority concerning qualified intermediaries from the Real Estate Division, Department of Business and Industry, to the Division of Financial Institution, Department of Business and Industry. It took qualified intermediaries out of chapter 645 of the *Nevada Revised Statutes* (NRS) and put them into chapter 645G of NRS. Senate Bill No. 476 of the 74th session, section 41 amended NRS 645.240, taking out subsection 2 of the bill in its entirety. That is the way we codified it, and it became NRS 645G.070.

The Real Estate Division said this was not the way the bill was intended to work. So we looked at the intent, recodified it and added these provisions back into section 1. We suggest you repeal NRS 645G because we do not believe it applies to intermediaries. It should be the exceptions to the Real Estate Salesmen and Brokers chapter 645 of NRS.

SENATOR HARDY:
There is no policy change here?

MRS. ERDOES:
No, this represents your intent.

SENATOR HARDY:
I would like the Committee to draft a bill stating that financial advisors are not institutions and should not have to pay the same taxes as institutions.

CHAIR CARLTON:
The Committee would be happy to submit a bill draft.

SENATOR PARKS:
"I need to disclose that I am a real estate licensee, that this bill will not affect me any differently than any other licensee, and that I will be participating in the vote."

CHAIR CARLTON:
I will do full hearings on all the bills, then go back to motions on each bill. This closes the hearing on S.B. 15 and opens the hearing on S.B. 49.

SENATE BILL 49: Creates a requirement for a written contract between a client and an architect, registered interior designer or residential designer under certain circumstances. (BDR 54-353)

GINA SPAULDING (Executive Director, Nevada State Board of Architecture, Interior Design and Residential Design):
I am here to present written testimony ([Exhibit D](#)) in support of S.B. 49.

SENATOR SCHNEIDER:

With the economy in the state it is, some architects are doing work on the side, not writing hard contracts. If we accept this bill, are we locking people into contracts and penalizing them?

MS. SPAULDING:

We are seeing a downturn in work, but exceptions are built in. This bill is intended to protect consumers.

SENATOR HARDY:

I have a lot of concern mandating statute to the private sector. I think it is best if government stays out.

CHAIR CARLTON:

Did you model this after any other provisions or boards?

MS. SPAULDING:

It is pared down from Ohio and California state laws.

CHAIR CARLTON:

You did not compare it with any of the other state boards?

MS. SPAULDING:

No, we do not believe any others exist.

SENATOR PARKS:

On page 2, it mentions a written contract; further down, it references only a contract, which could be verbal. Do we need consistent wording?

SENATOR COPENING:

What was the motivation for creating this bill?

MS. SPAULDING:

A tremendous amount of our enforcement actions stem from the lack of a contract between the parties. It is difficult to prove what was agreed upon. If the agreement is in writing, we can look to see if a violation has occurred, and it will assist in the enforcement process.

SENATOR RHOADS:
Are all the professional parties supporting this bill?

MS. SPAULDING:
Yes, they are.

SENATOR HARDY:
We need to decide if this needs to be codified into law. My answer is no.

CHAIR CARLTON:
The State Board of Architecture, Interior Design and Residential Design regulates themselves and sets a standard of practice. Moving back to Senator Parks' question, would our Committee Counsel check to see if we need to insert the word "written" so that if and when we process this bill, we can be sure the amendment is appropriate?

SENATOR AMODEI:
Section 4 states you do not have to sign a contract if you do not wish to.

CHAIR CARLTON:
We will close the hearing on S.B. 49 and open the hearing on S.B. 90.

SENATE BILL 90: Creates an emeritus title for certain architects, registered interior designers and residential designers. (BDR 54-352)

MS. SPAULDING:
I am presenting written testimony ([Exhibit E](#)) in support of S.B. 90. We will be requiring continuing education beginning 2010 and will need statutory authority.

CHAIR CARLTON:
This closes the hearing on S.B. 90 and opens the hearing on S.B. 91.

SENATE BILL 91: Revises provisions governing architects, interior designers and residential designers. (BDR 54-351)

MS. SPAULDING:

I now submit written testimony ([Exhibit F](#)) in support of S.B. 91. This bill is a housekeeping change to chapter 623 of NRS with four provisions. The first provision is NRS 623.190, page 3, section 6. It changes the name of “systems for environmental control” to “building systems and life safety.”

The second provision addresses subparagraph (1) of paragraph (d) of subsection 1 of NRS 623.192; it updates the name of the organization for interior design accreditation from the Foundation for Interior Design Education Research, to the Council for Interior Design Accreditation.

The third section amends NRS 623.350 and requires every business organization providing architectural, interior or residential design services in Nevada to have a resident architect or design professional in charge of the office.

The fourth section, amends NRS 623.365 to provide for discipline of non-registrants.

CHAIR CARLTON:

Regarding national tests, how do you evaluate licensees?

MS. SPAULDING:

We regulate three different professions. The architects have their own national tests and Nevada has a residential designer’s test.

CHAIR CARLTON:

There are no questions from the public. That closes the hearing on S.B. 91.

SENATOR HARDY MOVED TO DO PASS S.B. 15.

SENATOR RHOADS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

SENATOR RHOADS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 49.

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR HARDY VOTED NO.)

SENATOR HARDY MOVED TO DO PASS S.B. 90.

SENATOR COPENING SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

SENATOR HARDY MOVED TO DO PASS S.B. 91.

SENATOR COPENING SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR CARLTON:

Senator Copening will handle these bills on the Senate Floor. We now have two bill draft requests (BDRs) for introduction.

BILL DRAFT REQUEST 54-60: Makes various changes relating to massage therapists. (Later introduced as Senate Bill .)

SENATOR HARDY MOVED TO INTRODUCE BDR 54-60.

SENATOR SCHNEIDER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BILL DRAFT REQUEST 57-290: Enacts the Nevada Vehicle Protection Product Act. (Later introduced as [Senate Bill 118](#).)

SENATOR PARKS MOVED TO INTRODUCE BDR 57-290.

SENATOR SCHNEIDER SECONDED THE MOTION.

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THE MOTION PASSED UNANIMOUSLY.

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CHAIR CARLTON:

There being no further business, the meeting of the Senate Committee on Commerce and Labor is adjourned at 2:30 p.m.

RESPECTFULLY SUBMITTED:

Carol Allen,
Committee Secretary

APPROVED BY:

Senator Maggie Carlton, Chair

DATE: _____