

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

**Seventy-Sixth Session  
May 2, 2011**

The Committee on Commerce and Labor was called to order by Chair Kelvin Atkinson at 1:48 p.m. on Monday, May 2, 2011, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 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/76th2011/committees/](http://www.leg.state.nv.us/76th2011/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](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Kelvin Atkinson, Chair  
Assemblyman Marcus Conklin, Vice Chair  
Assemblywoman Irene Bustamante Adams  
Assemblywoman Maggie Carlton  
Assemblyman Richard (Skip) Daly  
Assemblyman John Ellison  
Assemblyman Ed A. Goedhart  
Assemblyman Tom Grady  
Assemblyman Crescent Hardy  
Assemblyman Pat Hickey  
Assemblyman William C. Horne  
Assemblywoman Marilyn K. Kirkpatrick  
Assemblyman Kelly Kite  
Assemblyman James Ohrenschall  
Assemblyman Tick Segerblom

**COMMITTEE MEMBERS ABSENT:**

Assemblyman John Ocegüera (excused)

**GUEST LEGISLATORS PRESENT:**

Senator Allison Copenig, Clark County Senatorial District No. 6  
Senator Michael A. Schneider, Clark County Senatorial District No. 11

**STAFF MEMBERS PRESENT:**

Marji Paslov Thomas, Committee Policy Analyst  
Sara Partida, Committee Counsel  
Andrew Diss, Committee Manager  
Sharon McCallen, Committee Secretary  
Sally Stoner, Committee Assistant

**OTHERS PRESENT:**

Bryan Gresh, representing State Board of Osteopathic Medicine  
Dianna Hegeduis, Executive Director/Board Counsel, State Board of  
Osteopathic Medicine  
Denise Selleck Davis, Executive Director, Nevada Osteopathic  
Medical Association  
Brett Barratt, Commissioner of Insurance, Division of Insurance,  
Department of Business and Industry  
Marie Holt, Chief Insurance Examiner, Property and Casualty Section,  
Division of Insurance, Department of Business and Industry  
Jim Wadhams, representing National Association of Surplus Lines  
Association  
Bob Compan, representing Farmers Insurance Group  
Paul Enos, representing Nevada Towcar Council  
Andy MacKay, Chairman, Nevada Transportation Authority, Department  
of Business and Industry  
Michael Geeser, representing AAA Nevada  
Karen D. Dennison, representing American Resort Development  
Association  
Stephany Madsen, Senior Vice President, Special Projects, American  
Resort Development Association  
Barry Smith, Executive Director, Nevada Press Association

**Chair Atkinson:**

[Roll was called. Committee protocol and rules were explained.] We have four bills in front of us this afternoon. We have two by Senator Copenig and two that Senator Schneider is presenting. We will open the hearing with Senate Bill 273 (1st Reprint).

**Senate Bill 273 (1st Reprint): Revises various provisions governing the practice of osteopathic medicine. (BDR 54-959)**

**Senator Allison Copenig, Clark County Senatorial District No. 6:**

I bring S.B. 273 (R1) for your consideration at the request of the Nevada State Board of Osteopathic Medicine. Since 2009, the Nevada State Board of Osteopathic Medicine has taken an active role in encouraging the recruitment of osteopathic physicians for this area as well as ensuring the discipline of osteopathic physicians when necessary. The Board has been successful in its efforts. Charts showing the increase in number of osteopathic physicians and physician assistants were provided to you, as well as the discipline by the Board from 2000 through January 2011 [exhibits were not provided]. Recently, columnist Jane Ann Morrison of the *Las Vegas Review-Journal* newspaper wrote about the Board and its formal disciplinary complaints against physicians for the overprescribing of opiates.

In keeping with the Board's recent season of success, we bring before the Committee today a bill designed to accomplish six goals. They are:

- The long overdue updating of statutes to include physician's assistants.
- The removal of a sunset date for certain statutes.
- The tightening of deadlines.
- The tightening of license restrictions.
- The changing of the annual fee for those July graduates who wish to remain in Nevada as fully licensed osteopathic physicians.
- The creation of a telemedicine statute.

This measure was passed on the Senate floor unanimously, 21 to 0.

I would like to turn the time over to Bryan Gresh and the Board's Executive Director, Dianna Hegeduis.

**Bryan Gresh, representing State Board of Osteopathic Medicine:**

The National Practitioner Data Bank, operating under the United States Department of Health and Human Services, reports that it currently has two state boards of osteopathic medicine enrolled in what is called a proactive disclosure service set up to identify problems with physicians more expeditiously. The Nevada State Board of Osteopathic Medicine is one of those two state boards enrolled statewide. I bring up that point to share with you that things have changed for the Board, and there are good things going on in southern Nevada and throughout the state to protect the citizens of this state through the State Board of Osteopathic Medicine. That is due in part to its current Chairman, Dr. Dan Curtis, and of course to Ms. Hegeduis and her staff.

Ms. Hegeduis would like to walk the Committee through some of the highlights of S.B. 273 (R1).

**Dianna Hegeduis, Executive Director/Board Counsel, State Board of Osteopathic Medicine:**

We consider S.B. 273 (R1) a housecleaning bill. If you will look at the latter parts of this bill, the majority of the revisions include physician's assistants in our statutes. For whatever reason, these statutes were never amended to include them. Physician's assistants are regulated by our Board much like physician's assistants are regulated by the allopathic board, that is, the Board of Medical Examiners.

The first of our big proposals is the telemedicine statute, which we believe will increase health care accessibility, especially in the rural areas, as well as regulate that medical profession. If the doctors who are performing osteopathic medicine may be in another state, we want to make sure they are within our jurisdiction if they are treating citizens of the state. Second is the ability to place conditions on the initial license, and third is the reporting of a death by overdose to the Board.

As the Senator explained earlier, we have also tightened up some of the time frames in our statutes. If a physician does not renew his license by December 31, instead of giving him 30 days, then writing him, and sending him another notice 30 days later, we shorten that time to 15 days and 15 days. Again, the goal is to expedite our function in regulating this profession.

**Chair Atkinson:**

Are there any questions from the Committee members?

**Assemblywoman Carlton:**

In tracking through some of this bill, I had difficulty comparing what you were trying to do with what is done in Chapter 630 of *Nevada Revised Statutes* (NRS) for the allopaths. After we are through today, could you show me which provisions are in which? I did notice that physician assistants are completely separate in Chapter 630 of NRS. They are not incorporated into every single citation. There is a separate component for physician assistants. In your bill you are incorporating them into certain parts of it and not in other areas.

**Dianna Hegeduis:**

We believe our statutes do have some parity with the medical board, the allopathic in Chapter 630 of NRS. The allopathic setup was a little different than ours. They have physician assistants as one category. They also license

perfusionists as another category, as well as respiratory therapists. They set their statutes up a little differently because they have several groups that they regulate. Because we have only osteopathic physicians and physician assistants, we just made it one statute as opposed to having a disciplinary statute for a physician and a different one for a physician assistant and another for respiratory therapists. They have a larger class of licensees that we do. We can separate it if you desire, but I believe if you took our parts, you would find that what we propose in this bill is similar to what is in the allopathic chapter, but just under the physician assistant section rather than lumped all together.

**Assemblywoman Carlton:**

If osteopaths want to be licensed and regulated within the same structure that allopaths do, we need to have some consistency among the chapters. That is something I have been working on to make it easier for people to understand what is going on within each chapter.

Can you explain to me why you did not touch your practice act at all? You have a two-sentence practice act, which I feel is incomplete, and you are including physician assistants within that. If you look at the allopathic chapter, it is a much more comprehensive practice act. I was under the impression that in the future, when you were going to overhaul the statutes, you were going to deal with your practice act.

**Dianna Hegeduis:**

I started working with the Osteopathic Medicine Board in July 2009; this was my first attempt at drafting these statutes. I was not aware that we were told previously to look at our practice act. I will be happy to look at that and draft something for the next legislative session if you would like to help me. That would fulfill whatever you feel we are lacking.

**Assemblywoman Carlton:**

If osteopaths want to be treated like allopaths, they should have the same requirements and the same in-depth practice act.

I have concerns about the report of a death statute. Does that compare with others?

**Dianna Hegeduis:**

You are talking about section 4—that was not part of our original bill, which was an addition from somewhere else. We have no problem with it because we see overprescribing and have had several incidents where patients have been harmed by overprescribing. We do not know of a death by overdosing unless someone tells us, and I believe this gives us that knowledge so we can proceed

rather than wait for a patient's family to file a complaint. While we appreciate this, I believe it came from a separate bill. We currently have two complaints against one physician scheduled for July; the issue is overprescribing and turning kids into addicts.

**Assemblywoman Carlton:**

I do not want to get into policy. I just want to know if this provision is in any other citation for any other health care professional. Is it modeled after theirs or does it go further? The last thing we want to do is have a physician be afraid to prescribe a drug for someone—especially at end of life—and cause the person pain and suffering. Is this anywhere else in current law?

**Dianna Hegeduis:**

No, ma'am. This is brand-new.

**Assemblywoman Carlton:**

Then I have problems with that. I just want to let you know.

**Assemblywoman Kirkpatrick:**

In section 2, subsection 2(c)(3), what is the alternative if a patient does not consent to that?

**Dianna Hegeduis:**

He would not receive the treatment by telemedicine. He has the right to go to that doctor or not and receive his medicine via telemedicine.

**Assemblywoman Kirkpatrick:**

I know, but it says, "Whether the osteopathic physician has a financial interest in the Internet website . . . ." What if they did not agree with helping that person financially with their Internet system? It seems unfair to the constituent.

**Dianna Hegeduis:**

For further clarification, this is more or less to make it an informed consent. If the doctor does have any kind of financial interest in anything—the office or the ambulance that took the patient there—we want the patient to be informed. We want him or her to know that the services rendered may be somehow connected to the doctor and his financial gain.

**Assemblywoman Kirkpatrick:**

What is the penalty if they do not disclose that?

**Dianna Hegeduis:**

It would be unprofessional conduct.

**Assemblywoman Kirkpatrick:**

My second question is in section 13, subsection 2; how often does that particular situation happen, when someone retires and then wants return to practice?

**Dianna Hegeduis:**

Very rarely, but we have seen some physicians basically reopened their practice or take a more active role because the stock market may have damaged their retirement fund. We want to make sure that if there are more physicians coming back into practice, we have our guidelines via the statute in place.

**Assemblywoman Kirkpatrick:**

Do they file within the same guidelines? It does not specify how long they can go without their license before they can go back to renew it.

What if they retired at 55 and at 65 decide they could not make it? Is there a time frame on the licensing or is it automatically renewed?

**Dianna Hegeduis:**

They do have to apply and pay the back renewal fees, and then they have to attend a certain amount of continuing medical education. When they come back as physicians, we want to make sure they are qualified. Looking at section 13, subsection 2(a), if the licensee has been retired for one year or less, we would require 25 hours of certified medical education (CME). If they have been retired for 12 months or more, it requires 50 hours of CME. That will get them back up to speed on recent developments in medicine.

**Chair Atkinson:**

Are there any additional questions?

**Assemblyman Horne:**

Regarding section 3, where it talks about the authority to issue a restricted license, I recall conversations in prior sessions that physicians did not want to have licenses that could be deemed temporary or restricted because it has an adverse effect on their insurance premiums. I am curious about the change of position and why the osteopathic doctors would be okay with it when the medical doctors may not be?

**Dianna Hegeduis:**

The allopathic board does have the right to place conditions, limitations, and restrictions on an initial license. Theirs is not as specifically expressed within a proposed statute as what we have done. I can give you an example. If a physician coming to Nevada has been disciplined by another state and one

of the requirements is that he attends continuing medical education classes or a diversion program, we want to make sure that he does not lose that limitation. If you were required to go to a diversion program, we want to make sure you continue with that diversion program. In essence, that is what I meant about the condition, limitation, or restriction. Again, overprescribing is a big issue right now. If another state said a physician cannot get into pain management, we would like the ability to refrain them from that area.

We are not taking away their full licensing; we are trying to make sure they are not coming to Nevada to escape some prior problems with another state agency licensing board.

**Assemblyman Horne:**

What about the physicians who are currently here in Nevada? Would they be subject to possible limitations or restrictions on their license as well?

**Dianna Hegeduis:**

In 2009 the Legislature did allow us to enter into remediation agreements with our physicians, and keep it confidential, but allow them the ability to seek assistance from a diversion program. That procedure is already in place.

**Assemblyman Horne:**

Section 11 talks about the issuance of a temporary license and, once it expires after 6 months, the opportunity to have a new temporary license issued. Could you outline a scenario of when that would happen?

**Dianna Hegeduis:**

One that comes to mind is the Coroner/Medical Examiner's Office in Clark County. If they had a shortage of doctors or funds, and their cases were getting backlogged, they would hire somebody on a temporary basis. We issued two licenses pursuant to this for medical examiners for the Coroner's Office.

**Assemblyman Horne:**

How many times would they be able to get a new temporary license?

**Dianna Hegeduis:**

We have not limited that. Economics would make them want to go for a full license if they thought the job was going to be lengthy in time. Right now, they could renew for another six months.

**Assemblyman Horne:**

Theoretically, every six months someone could renew for a temporary license?



**Dianna Hegeduis:**

That is correct.

**Chair Atkinson:**

Are there additional questions?

**Assemblyman Ellison:**

In section 12, looking at the renewal of the license, is that where you tightened the timeline? Could you explain that to me?

**Dianna Hegeduis:**

At the current time, the person has until December 31 to renew his license. The way the statute was written we would have to wait 30 days—which would make it January 30—to write them a letter, and then we would have to give them 30 days more notice that they had to renew. They could actually be practicing with an expired license for 60 days. We could go after them with a restraining order for practicing without a license, but this gives us a shorter time frame. Rather than us waiting 60 days to administratively revoke the license, it would be down to 30 days.

**Assemblyman Ellison:**

They all come due on December 31? [Ms. Hegeduis indicated yes.] I know it is hard to get physicians, and we have lost quite a few through the years due to the cost of malpractice insurance. I do not want to discourage good doctors from staying in Nevada.

**Dianna Hegeduis:**

We start sending out reminders in September. We also send reminders out again around November. In essence, we give them at least three to four notices that their license will be expiring or has expired.

**Chair Atkinson:**

Is there anyone else wishing to testify in favor of S.B. 273 (R1)?

**Denise Selleck Davis, Executive Director, Nevada Osteopathic Medical Association:**

I represent the physicians, and we are in support of this bill. However, if Ms. Carlton would like to convene some type of group on this, we would be happy to work on any changes that might be anticipated on the bill. As it is written, we are in support of it.

For clarification regarding an earlier reference, these physicians are called D.O.s, not O.D.s. We are a little sensitive.

**Chair Atkinson:**

Thank you. Is there anyone else wishing to get on record in support of S.B. 273 (R1)? [There was no one.] Is there any opposition? [There was none.] Anyone neutral? [There was no one.] Is there anyone in Las Vegas who wishes to be heard on S.B. 273 (R1)? [There was no one.] We will close the hearing on S.B. 273 (R1) and ask the parties to work with Ms. Carlton, and she will let me know when you have something that is agreeable.

We will open the hearing for Senate Bill 289.

**Senate Bill 289: Makes various changes relating to insurance. (BDR 57-521)**

**Senator Allison Copenig, Clark County Senatorial District No. 6:**

I am here today to introduce S.B. 289 for your consideration. I will be offering the introductory remarks for this bill, and then I would like to turn it over to Insurance Commissioner Brett Barratt to walk us through the bill.

On July 21, 2010, the Nonadmitted and Reinsurance Reform Act, part of the Dodd-Frank Wall Street Reform and Consumer Protection Act, became federal law. The Nonadmitted and Reinsurance Reform Act, referred to as NRRRA, includes restrictions concerning the collection of premium tax on multistate risks for nonadmitted insurance. Senate Bill 289 covers two important areas regarding nonadmitted insurance. One, it allows Nevada to participate in a multistate agreement to collect premium tax on multistate risks, and two, it will bring Nevada into compliance with the recently enacted federal law. If Nevada does not comply with the provisions of the NRRRA, we will not be able to collect multistate risk premium tax where Nevada is not the home state.

**Brett Barratt, Commissioner of Insurance, Division of Insurance, Department of Business and Industry:**

As Senator Copenig explained, S.B. 289 allows Nevada to do two important things. It allows us to participate in a multistate agreement so we are able to collect a premium tax on surplus lines that are nonadmitted risks where Nevada is not the home state, and it is required for us to be compliant with federal law. [Continued to read from prepared text ([Exhibit C](#)).]

With assistance from the Nevada Surplus Lines Association, Nevada will get its fair share of premium tax. The premium tax that would be collected through the clearinghouse under the Nonadmitted Insurance Multi-State Agreement (NIMA) proposal is the same amount that Nevada currently charges, 3.5 percent. Additionally, the Nevada Surplus Lines Association also has a 0.4 percent filing fee, so the effective tax rate for the nonadmitted insurance market in Nevada is 3.9 percent, and we would get that through the

clearinghouse regardless of what the insured's home state is. In Wyoming, for instance, their premium tax is around 1 percent. Ours is 3.5 percent, so Nevada would still get 3.5 percent on Nevada risks.

**Assemblywoman Kirkpatrick:**

I would like to go to section 11 on the nonadmitted insurance. Help me understand what that does. Did you say that if we did not pass this bill, we would not be able to collect the insurance premium tax that we are currently collecting?

Last session I had an insurance premium tax bill to look at, and there were ten times the people in this room than are here now, because it was our most stable income source for the state and looking at it made folks very nervous. I am wondering what is so different about this bill. I know that there are some other bills out there dealing with insurance premium tax, which affects our budget, and I want to be sure where this definition came from in section 11.

**Brett Barratt:**

With regard to section 11, we are talking about the definition of nonadmitted insurance. That is a definition that was developed in conjunction with other states, so that through the NIMA multistate agreement it would be consistent with other state's laws.

To get to your broader question, the difference between this bill and premium tax bills generally is this bill is focused on the nonadmitted insurance market, that is, surplus lines. This does not change anything with regard to Nevada's premium tax amount or collection ability. What it does do is enhance Nevada's ability to collect insurance premium tax on risks located in Nevada where Nevada is not the home state. When you look at the definition of home state, it has a couple of different caveats—where the majority of an insured's business operations are, or where the largest percentage of their premium is. It would create a nationwide clearinghouse, and all nonadmitted insurance risks would go through that clearinghouse. For instance, if XYZ Corporation's home state is Alabama but it has a retail operation here in Nevada, the clearinghouse could find that 5 percent of the risk is in Nevada, so on that 5 percent of the risk the clearinghouse would collect the 3.5 percent premium tax and remit it to Nevada.

**Assemblywoman Kirkpatrick:**

I thought we had an insurance premium tax abatement that we utilized. How does that work in other states? Like a credit card company, they may be based in another state but have many locations, including in Nevada. How does the reciprocity work when other states have abatement or incentives for the

insurance premium tax? I think that is key if you are making them give up something; we should be on the same field.

**Brett Barratt:**

When a domestic insurer is a Nevada company, there are certain incentives under Nevada law that allows them to deduct up to 50 percent of their expenses from the premium tax which otherwise they would need to pay. That is an economic development type of incentive. Those types of incentives do not have any effect on what this bill is proposing. The only time that could become an issue in Nevada is if one of the nonadmitted surplus lines insurers decided to become a Nevada domestic company. As enthusiastic as I am about economic development, I do not know if that is a reality in the short-term future because of our high premium tax rate.

**Assemblywoman Kirkpatrick:**

Am I confused? Did you also say that this would allow us to get multistate dollars?

**Brett Barratt:**

I did say that. It may be me that is confused.

**Assemblywoman Kirkpatrick:**

Let me just say why, because if you look at many other states, some of them abate the entire amount. You are saying we could actually benefit from it? What happens in the instance where that process is abated or they do not pay it in another state? Would Nevada still get its fair share?

**Brett Barratt:**

When we are talking about abatements, it is generally for those insurers who are domestic—that live here in Nevada. We do not have any of these types of insurers that live here in Nevada today. Therefore, the abatement or the economic incentives would not apply with regard to the provisions of S.B. 289.

**Assemblywoman Kirkpatrick:**

I must be asking my question wrong so I will call you.

**Brett Barratt:**

Perhaps Ms. Holt could provide a clearer answer than I was able to.

**Marie Holt, Chief Insurance Examiner, Property and Casualty Section, Division of Insurance, Department of Business and Industry:**

What you are referring to would apply to insurance companies. The bill we are proposing here today applies to the insureds—or the policy holders—that write

the coverage with the insurance companies. They would still be subject to a premium tax under the policy that has been written within the State of Nevada.

**Assemblywoman Carlton:**

It my understanding that this is not mandatory, that this is an option for the state?

**Brett Barratt:**

Correct. It is not mandatory; however, the consequence of not entering into a nationwide, multistate agreement would be that Nevada would not have authority to collect on a premium tax on a risk located in Nevada if Nevada were not the insured's home state.

**Assemblywoman Carlton:**

You are going to have to explain that for me, but I will not put the Committee through it. That whole picture is too big and needs to be broken down into smaller segments for folks to understand it.

Does this bill go above and beyond what the public law is, or is this the base from which we are asked to work?

**Brett Barratt:**

This bill is the base from which we are asked to work. When Congress was working on the NRRRA—there are many different models out there, and different groups support different models—11 other insurance commissioners and I sat down and asked, what is the minimum we need to do, and what is the most important issue? We had only 330 days to do this. We determined collectively that the most important issue for us, in the current financial situation, is to develop this multistate tax collection system. There are other things in the future we could look to do on a nationwide basis, such as different rules and procedures, but this is the minimum that we need to do in order to comply with the provisions of the NRRRA.

**Assemblywoman Carlton:**

Have the other states committed to doing the base model of this? If we do this and nobody else comes to the table to play, there is not going to be any money to collect anyway.

**Brett Barratt:**

Today, the NIMA, which would be my first choice, has been passed by six states. There are six other states where NIMA legislation is awaiting the governor's signature. Nine additional states fall into a group, like Nevada,

where the NIMA or another multistate agreement is being considered by the legislature.

In all candiness, I should indicate there are a couple of different models available. One model is referred to as Surplus Lines Insurance Multi-State Compliance Compact (SLIMPACT), which has been passed in three states. Some states are doing two, some are doing one. I could forward to you the most recent information on what other states are doing with regard to NIMA particularly and in the broader scheme of implementing the provisions of the NRRA.

**Assemblywoman Carlton:**

Is SLIMPACT the one that came out of the National Conference of Insurance Legislators (NCOIL)?

**Brett Barratt:**

I believe so. There also is SLIMPACT-Lite.

**Marie Holt:**

That came out of the National Association of Professional Surplus Lines Offices (NAPSLO).

**Chair Atkinson:**

Is there anyone else wishing to testify in favor of S.B. 289?

**Jim Wadhams, representing National Association of Surplus Lines:**

We appear in support of the bill, but some of the questions set the stage for a conceptual amendment ([Exhibit D](#)). I will describe what we are trying to address.

The notion of giving the authority to the Executive Branch to do this is indeed important. We are suggesting two structural amendments. First, they go through a process to evaluate which of these various agreements will be the best. In other words, they have a hearing, take testimony, evaluate the costs and benefits, which states are doing what, and which states might be more conducive to us. For example, if coordinating with California becomes critical for Nevada, we ought to be in the grouping that includes California as opposed to not including California. I do not mean to prejudge that. We are suggesting, with the language in subsection 2 of our proposed amendment to section 17, that a hearing take place and consider a variety of factors as to which particular agreement should be entered into.

The second is in the preceding paragraph. It is an amendment to section 1 of section 17 suggesting that after the hearing and the Commissioner making the determination, this contract would be submitted for approval by the State Board of Examiners. It provides that a similar layer that the Legislature requires—contracts entered into by the state—is routinely approved by the State Board of Examiners.

Again, those are not amendments that we think are unfriendly to this notion, but just add to what the Commissioner said. Participating in this new process under the federal law will be critical. We are simply suggesting a couple of steps to ensure that Nevada's participation is in the right agreement and then approved by the appropriate body.

**Chair Atkinson:**

Are there any questions from the Committee?

**Assemblywoman Carlton:**

Your conceptual amendment actually has you as opposing this. Do you want to clarify that?

**Jim Wadhams:**

The point is not that we are opposed to the act that is being proposed. It is that we think the Commissioner and the state ultimately need to decide which of these versions—these various agreements—will be the most beneficial for the state. The intent of that sentence is to suggest that we should not get into one agreement; we should evaluate all of them and see which is best for the state.

**Assemblywoman Carlton:**

I am concerned about the allocation formulas and how those will be developed. How do we make sure the state is represented in those allocation formulas to ensure that we get the benefit from it?

**Jim Wadhams:**

That is the critical piece, in going through the administrative hearing process, to be sure that Nevada has the optimum effect in gaining the maximum revenue from the agreement; that is, the agreement that allows Nevada the best opportunity.

**Chair Atkinson:**

Is there anyone else wishing to testify in favor of S.B. 289? [There was no one.] Opposition? [There was no one.] Neutral? [There was no one.]

**Assemblywoman Kirkpatrick:**

For the record, I would like to ask the Insurance Commissioner, if this bill does not pass, what happens?

**Brett Barratt:**

Under the NIRA the deadline for the states to develop this collective process is July 21, 2011. If we do not enter into an agreement on or before July 21, 2011, we will not be able to collect premium tax on risks located in Nevada where Nevada is not recognized as the home state. If there are other agreements that the Legislature would like me to enter into besides NIRA, that is fine. Nevada participated in the development of NIRA and that is the model that we are most comfortable with—but if we do not enter into any multistate agreement we, for sure, will not be able to collect taxes on risks in Nevada where Nevada is not the home state. If we do enter into a multistate agreement, we will have that ability to collect those otherwise uncollected premium taxes.

**Assemblywoman Kirkpatrick:**

I am struggling with this bill. We had a similar bill where we adopted regulations with everyone else, and I struggled with that bill. With this one I am not so willing to hope for the best. Did I hear you say there are six states currently in an agreement or that have legislation pending? What is the Congressional penalty if all of the other states do not participate? This is not something I want Nevada to be first at. We have a lot of other priorities out there. As an example, last session we had a lot of energy bills and other states beating us up and saying that Nevada is the only one that is not going to do it. At the end of the day, 17 states had proposed legislation, and Nevada was the only one that moved forward. I want to ensure that if we are moving forward, we have some partners in this.

**Brett Barratt:**

The NIRA legislation has been adopted in six states. It is pending the governor's signature in six other states, so it has passed the legislative process. In nine or so other states, that NIRA language, which is my first choice, is in the same process as Nevada, that is it is pending before the legislature. There are a handful of other states where they have a different model, or two models that are pending before the legislature. I would be happy to share with you which states and what process.

**Assemblywoman Kirkpatrick:**

If we adopt the NIRA legislation, can we enter into only those types of agreements, or can we change that in the future if we find it is not the best for our state?



**Brett Barratt:**

What S.B. 289 allows me, as the Insurance Commissioner, to do as currently written is to enter into NIMA or another multistate agreement. The reason we drafted the language that way is that we did not know if NIMA would be successful in other states. We did not want to box ourselves in. Ultimately, we just need to enter into "a" multistate agreement. I would suggest, because NIMA is the one that I and other insurance commissioners are most comfortable with, and because it is the most widely passed model, that is the way to go initially. Because it would be a grant of legislative authority to let me enter into that agreement, the Legislature could certainly come back and withdraw that authority and get out of that agreement or enter another one in the future.

**Assemblywoman Kirkpatrick:**

How many potential impacts of business are affected by this if we do not do it? You say that if we do not do it, we cannot collect. How long are these agreements for? A lot of people are going to ask that question who are not on this Committee.

I understand that you are going to go before the Board of Examiners and through the legislative administrative process; does it necessarily take regulations to do it? I am not sure how S.B. 289 helps us except that you get to go before the Board of Examiners instead.

**Brett Barratt:**

Aside from the tax implications that we have discussed, the potential impacts came from the fact that there may be a new system that brokers and insureds who are independently procuring this type of coverage are not used to. There may be that impact, but overall, I think it will be beneficial for the market in general because instead of California having its system and Nevada having ours and Texas doing its thing, it will be one uniform system for all the states. Initially there may be some learning curve, but ultimately, the result—and Congress's intent in passing NIRA—will be a more efficient, uniform system across state lines.

With regard to the length of the agreement, NIMA was modeled after another interstate compact having to do with fuel taxes which has been approved in all 48 lower states as well as the Canadian Provinces. The agreement, at this point, is without a time limitation. It would be an ongoing agreement unless and until the Legislature decided it was no longer in Nevada's best interest or wanted to look at another mechanism.

**Assemblywoman Kirkpatrick:**

I will try to ask this a different way. What businesses are going to be impacted? Maybe I am not hearing it correctly, but I keep hearing you say we will not be able to collect certain taxes if we do not enter this agreement. How many businesses will be impacted?

**Brett Barratt:**

Sitting here today, I would not be able to quantify how many businesses may possibly be affected. I could say there are generally two types of businesses that I anticipate would be affected by this. One would be the surplus lines brokers community. These are the insurance professionals that are procuring insurance in the nonadmitted market for their clients. The other would be the sophisticated type of business that is contacting the nonadmitted insurance carriers themselves to buy directly without the use of a broker. It would just be the brokers and the insureds that are needing this sort of high-level coverage that is not generally available in the admitted market.

**Assemblywoman Kirkpatrick:**

You said those particular ones would be mining . . . .

**Brett Barratt:**

Yes. Examples might include a business that needs to have very high limits. It could encompass some of the gaming industry, or members or suppliers of the mining industry. For example, a distributor of explosives needs insurance coverage, but you might not be able to purchase that type of explosive coverage from State Farm or Farmers. Those are the types of businesses that would need to go into the nonadmitted market to procure those coverages that are otherwise not available.

**Chair Atkinson:**

Are there additional questions or comments from the Committee? [There were none.] Is there anyone else wishing to get on record as being in favor, opposed, or neutral? [There was no one.] Is there any other testimony at all for S.B. 289? [There was none.] We will close the hearing on S.B. 289.

We will open the hearing on Senate Bill 142 (1st Reprint).

[Senate Bill 142 \(1st Reprint\)](#): Makes various changes concerning the towing and storage of motor vehicles. (BDR 58-924)

**Bob Compan, representing Farmers Insurance Group:**

Senator Schneider is the bill's actual sponsor, but he is aware of the issues so I will proceed accordingly.

Farmers Insurance has been involved in this process since 2005, when we became aware of erroneous charges being placed upon our Nevada customers regarding tow charges. [Continued to read from letter ([Exhibit E](#)).]

In 2005, there was a multifaceted Senate bill that had to do with times that the police department had to issue police reports, but the towing portion related to when a vehicle was towed from an accident scene. At that time we found out that when vehicles were towed from an accident scene at the request of a law enforcement officer, tow operators were initiating a lien processing fee after 96 hours. Senate Bill No. 175 of the 73rd Session sponsored by Senator Titus, lengthened that period from 96 hours to 14 days after a vehicle was towed from the scene of an accident at the request of a law enforcement officer. We are still trying to find out how this happened, but subsequently, in 2007, the 14 days provision was erased in Assembly Bill No. 311 of the 74th Session. Mr. Scott Brown and Senator Settlemeyer looked at it, and they can find the hearing where it took place, but basically, what happened in 2007 is the lien processing fees went from the 14 days that we negotiated in 2005 down to 4 days. The original language in this current bill brought it back up to 14 days, but in the spirit of compromise and free market, we met with the tow operators, the bankers, and others who had an interest regarding the lien processing fee and negotiated, in S.B. 142 (R1) under section 1.5, subsection 3(a), that they cannot start initiating a lien or administrative processing fee until after four business days. Right now it is four days under the statute.

We have also added into this statute that they cannot start processing an administrative fee for auction prep fees. We found in recent audits that, in the interim, some tow operators are charging auction prep fees. An auction prep fee is for a vehicle that has been issued a lien, to get it ready to be sold should they satisfy a lien on the vehicle. If your car was towed at the request of a law enforcement officer and placed in storage, and you were unable to get there after a certain number of days, they can initiate what is called an auction prep fee to get that car ready to sell. It is our belief that they should not start initiating auction prep until the lien has been satisfied and they own the car. We have seen these fees range from \$295 to \$500. It is just a few operators that do this, but it could be burdensome to the consumer who is trying to pick up his car after he has been involved in an accident, which is troublesome anyway. To try to see his vehicle, sometimes four days is not enough time. He may be in the hospital, he may have to work, or he may just not have the transportation to get there. We think this amendment gives him a little more time.

Section 1 and section 3 allow for the insurance company to move the vehicle to a repair facility or a salvage yard at the direction of the agent or the owner.

For instance, an attorney can give us direction to move a vehicle on behalf of his client.

We worked with the two operators, and they had concerns regarding some hold harmless agreement. It is intensely outlined what our responsibilities are going to be to move the vehicle, but we are going to have to provide to the tow operator the vehicle identification number (VIN) and the consent form, which will be designed in a form that is approved by the Commissioner of Insurance. We spoke with the tow operators earlier today and want to make sure that we have their assurance that this form can be used and can be transmitted electronically. Therefore, it is going to help our insureds and the Nevada consumers who have had their cars towed from the scene of an accident at the request of a law enforcement officer and afford them the opportunity to have somebody move the car for them should they not be able to get to the tow yard.

It is complex in its language, but it boils down to three small facts. We have done some interim work with the Nevada Transportation Authority (NTA). The tow operators are on board. They understand there are few bad actors out there and they are trying to improve their image. We want to make sure it is solidified in statute. Promises were made to us in 2007. In 2009, Chair Atkinson sponsored for us, Assembly Bill No. 484 of the 75th Session, that did not make it out of committee. The NTA offered us interim hearings.

On our total-loss vehicles alone, through an audit, we filed complaints about actions against consumers that we feel are erroneous and against the law. They are being abused in the Nevada tariff system in the amount of \$62,000. We are still waiting to hear on that. That is just our total-loss vehicles. These are not the vehicles that go to repair facilities.

**Chair Atkinson:**

Senator Schneider, would you like to comment on Senate Bill 142 (R1)?

**Senator Michael A. Schneider, Clark County Senatorial District No. 11:**

We have discussed this at length in our Committee and we thought it was something we should process and send over here. We think it is a good consumer bill, making a move toward lower rates, and gives the insurance company control of the vehicles. In the long run, that is what the consumer wants—someone to take care of his vehicle from start to finish. This is a step in the right direction.

**Assemblywoman Carlton:**

I like your bill. I have been in the position of having my car held, and I called AAA to go with me to get the car out of the holding lot and take it to my own property because of the fees that they were going to charge. I understand what you are trying to do.

Is there a definition of when it will be the agent and when it will be the customer who makes the decision?

**Bob Compan:**

The agent is someone who represents the insured. You, as a consumer, give somebody the authority—verbal or written—to act as your agent. I do not mean your insurance agent. It is an agent of the individual who owns the car acting on the owner's behalf at his request. The owner may not be able to act, as he may be in a hospital room.

**Assemblywoman Carlton:**

When we move the vehicle, where are we moving it to?

**Bob Compan:**

That is your option. You can move it to a repair facility, to your home, or to a storage lot. It is the adjuster's responsibility to let you know the condition of your vehicle. A trained adjuster is going to be able to say, yes, I believe your car is repairable, so you are subject to this kind of deductible, or you do not have collision coverage, so we cannot help you at all, or you do have collision coverage, but based on the Nevada statute and the estimate we have written, your vehicle has reached a threshold of damages which deems it to be a total loss. It always is your choice to where the vehicle is towed.

**Assemblywoman Carlton:**

With regard to the auction prep fee, until I get a decision of what is going to happen with my vehicle, I should not have to pay the auction prep fee if it is never going to be auctioned, correct?

**Bob Compan:**

You have that correct. Auction prep fees under this bill cannot be charged until they have satisfied the lien. If it is at a tow yard, the tow yard owns the car; if it is at a body shop, and they have satisfied a mechanic's lien by going through the Department of Motor Vehicles (DMV) and other nullifications and they take ownership and get clear title, they can, at that time, begin processing the auction prep fee. At that time, we are not responsible; we are out of the equation.

**Paul Enos, representing Nevada Towcar Council:**

We are here to speak in favor of S.B. 142 (R1) today. The lien processing is oftentimes the only way the towcar operator has the ability to find out who the owner of the vehicle is. That is not always clear when the vehicle is being moved from a parking lot or the scene of an accident upon request. The sooner we can find the owner of the vehicle, the quicker the owner can pick up his car and the fewer charges he has.

We have worked with Mr. Compan to create what we feel is a good piece of legislation. We have created a mechanism to allow insurance companies to remove those vehicles from a tow storage facility once they have the consent of the owner. The tow operator can be in the position of being in the middle of an insurance company and the owner of the vehicle, so we will allow the insurance company to move the vehicle once they have the consent of the owner.

We agree with Mr. Compan that towcar operators should not be charging auction prep fees on vehicles that should not be auctioned. That is a good piece of public policy that will prevent some erroneous charges from being levied.

**Assemblywoman Carlton:**

Is there anything that requires towcar operators to give the person, whose car just got towed away, a receipt so that he knows where the car ends up?

**Paul Enos:**

I do not know the answer to that question. Mr. MacKay can probably answer that.

**Andy MacKay, Chairman, Nevada Transportation Authority, Department of Business and Industry:**

Providing a receipt is not required. However, the regulations, with respect to a nonconsensual tow, are that without the consent of the owner of the vehicle, the tow operator must notify law enforcement either within 1 1/2 hours after the tow commences or within 30 minutes after the vehicle arrives at the storage yard. The reason for this two-pronged notification is that oftentimes a tow is effectuated and it takes them only 10 to 15 minutes to get it to the tow yard, so initially the requirement was one hour. The NTA amended the regulation about three years ago. The thought process is that the sooner the notification, the better. Conversely, there are times when tow operators have to travel a long distance in order to get the vehicle and transport it back to the facility, so sometimes they were committing a violation because it was impossible to call due to the lack of cell or radio service in a rural area. That is why it is a dual reporting time.

The reason for law enforcement notification is when people leave their house and their car is not there, they first assume that it is stolen. Then they contact the law enforcement agency, which can tell them to call back within this time frame because they will have been notified by the tow company whether the car has been towed.

**Michael Geeser, representing AAA Nevada:**

We want to support this bill. For us the key phrase is "four business days." It is the business days that make the time frame work for us. With the tow industry's agreement on that, we agree with the language. The bill will work.

**Andy MacKay:**

We are in favor of the bill, most importantly as it prohibits a tow operator from charging those auction prep fees until the lien is perfected. That will ultimately create consistency and transparency for the ratepayer.

**Assemblyman Atkinson:**

Is there anyone else wishing to get on record in favor of Senate Bill 142 (R1)? [There was no one.] Opposition? [There was none.] Neutral? [There was none.] We will close the hearing on S.B. 142 (R1) and open the hearing for Senate Bill 200 (1st Reprint)

**Senate Bill 200 (1st Reprint): Makes various changes relating to timeshares. (BDR 10-217)**

**Senator Michael A. Schneider, Clark County Senatorial District No. 11:**

At one time Las Vegas was well on its way to becoming the timeshare capital of the world. Nevada is in the top five in the nation right now. However, the recession really curtailed that growth. For years, Las Vegas was the No. 1 requested destination for timeshare people who wanted to exchange. We were on our way to overtaking Orlando as the top timeshare market. Our inventory then was not big enough, but we have built timeshare towers all over Las Vegas Boulevard South.

The recession has really impacted timeshares, which are considered a luxury item. A lot of people were unable to make their payments and association fees and have lost their timeshares.

I have two ladies with me today to go over what needs to be done to help this industry through these tough times.

**Karen D. Dennison, representing American Resort Development Association:**

The American Resort Development Association is also known as ARDA and is the national association for the timeshare industry. Its members include developers, managers, and about a million timeshare owners throughout the United States in a division of ARDA known as ARDA ROC, or Resort Owners Coalition. [Referred to prepared text ([Exhibit F](#)).]

We have a bill today which is very important to the timeshare industry and it is in two distinct parts. The first part concerns the dissemination and use of timeshare owner lists. The second part concerns Internet publication of notices of sale for timeshare foreclosures.

The reason for bringing the owner list forward is that it has become all too common that unscrupulous marketers are obtaining timeshare owner lists. In particular, resale marketers have been documented as calling or writing people to say they will take the timeshare that they own off their hands, and that they will no longer have to pay their association dues. They charge an up-front fee, which is illegal in Nevada, and then the owners never hear from these unscrupulous marketers again. The owners are preyed upon because the marketers can obtain these lists. The way they get the lists is based in current law. Most timeshare associations are formed under Chapter 82 of *Nevada Revised Statutes* (NRS), which is the nonprofit corporations statute. That statute basically allows any association member who has been a member for six months or more to have carte blanche access to owner lists and to copy these owner lists. We have a letter from Kevin J. Blair ([Exhibit G](#)), who is a board member of a major timeshare project in Las Vegas and who has experienced this misuse of owner lists.

The method these marketers use to get this list is by buying a timeshare cheaply from a resort, and then they have access to the list. They are required to sign an affidavit under law that says they will not use this list to solicit money or property, but the affidavit process is not working.

Sections 2 and 3 of the bill deal with this issue and provide a solution that has worked in Florida—it allows the manager or the association board to be the gatekeeper of these lists. It is a balanced approach because we have recognized that the owners need to communicate with one another and yet respect the individual owner's privacy.

[Ms. Dennison walked through the bill as she continued to read from prepared text ([Exhibit F](#)).]



In conclusion, we believe that the Internet publication of the full legal notice of sale makes economic sense for strapped associations that, at times, cannot afford to foreclose because of the many costs involved in getting back a timeshare. It makes good public policy sense as well, because it provides for a wider dissemination of the notice of sale.

**Assemblyman Hickey:**

With regard to the requirement to notice, have other states gone to this change, and have there been any legal challenges to this differing or minimal way of noticing?

**Stephany Madsen, Senior Vice President, Special Projects, American Resort Development Association:**

We have been hearing constantly over the past several years from individual consumers and resort associations that we need to streamline the foreclosure process, particularly for assessment liens. This has been done in a variety of ways. While this is an admittedly fairly new way, it would be a very effective way that many other owners' associations in Nevada as well as other states will be looking to. Nevada is already pursuing nonjudicial foreclosure legislation in reaching out to get cost-effective foreclosure.

**Assemblyman Hickey:**

You did not mention any other states or jurisdictions that have gone to this kind of model. My other question was have there been any legal challenges? If there have not been other instances, then it has not risen to that level.

**Stephany Madsen:**

Florida is waiting with eagerness to pass such a bill next year. They are looking to Nevada to take the lead, because they think it will very important for the benefit of timeshare owners.

**Karen D. Dennison:**

The bill has an added component that was amended in the other house, which is a declaration—an attestation by the person posting on the Internet that it has been posted on the Internet for a period of three weeks. That way there is a sworn statement by the person that goes side-by-side with a notice of sale.

**Assemblywoman Kirkpatrick:**

Where on the Internet are we supposed to find these foreclosures? More people peruse newspapers to see those notices, but under what websites do people go to find out if they are in that situation?

**Karen D. Dennison:**

The short informational notice—a very helpful notice in the newspaper—will not only give you the name and address of the timeshare project, it will give you the website on which this notice is posted. It could be a title company website, a homeowners' association website, or a developer's website. There is no specific website where these are found. For example, if someone wants to buy a timeshare in Polo Towers in a foreclosure sale, they might be able to google "Polo Towers timeshare foreclosure."

**Assemblywoman Kirkpatrick:**

You make a good point regarding my concern on scam situations. What happens, based on some website, if a home is sold that is not really in foreclosure? Also, what is the penalty if it is not posted on the website?

I had a constituent who had a timeshare that was sold out from under him that was not in foreclosure. Of course, people have to do their due diligence, but they are often naïve to the process, that they have to have a level of comfort.

**Karen D. Dennison:**

In order to own a timeshare and to get title insurance, you are going to have to prove that you followed the legal procedure. The four notices that I spelled out will have to have been followed. As far as the scammer is concerned, the timeshare owner receives notice well before the notice of sale. The timeshare owner receives a notice of default. If his dues are current, if it is a homeowners' association (HOA) lien foreclosure, if the purchase price payment is current, or if it is a deed of trust foreclosure, he should be able to rectify that either with the timeshare homeowners' association or the developer, who most likely owns that timeshare paper.

**Assemblywoman Kirkpatrick:**

My constituent was not in foreclosure, but the website said that was the case.

**Stephany Madsen:**

We are working very hard to educate owners that just because the Internet exists, it does not mean everything you find on it is correct. We publish quite a few guidelines on our website that when you are buying a timeshare, it is real estate and must be treated exactly as real estate in the same way you buy a home. You look for title insurance and find deeds. You might want to use a licensed broker and have a title company involved. We are pleased that the Division of Real Estate in Nevada would be responsible for developing a form that would attest that what is published on the website is, in fact, correct and published properly according to Nevada law.

**Assemblyman Ohrenschall:**

Under the current system, all of the sale information would be published in the newspaper, but under this proposed bill, there would be a short guidepost to an Internet website, as outlined on page 4, lines 18 through 30. My concern is, if this bill becomes law, that I read the notice in the newspaper and I carefully type in the URL, the web address, and hit enter, but instead of the website with all of the information, I get "URL not valid." What recourse would I have then?

**Stephany Madsen:**

If I were the person doing the search, since the newspaper seemed to be incorrect, I would call the resort itself and ask where you could find their foreclosure notice. I would let them know the URL was down.

**Karen D. Dennison:**

If I may elaborate, the steps have to be followed. If they are not followed, you do not have legal title. If you have not conducted a legal foreclosure because you have an invalid website, no one is going to insure title to that timeshare when the next purchaser buys it.

**Chair Atkinson:**

Are there additional questions from the Committee? [There were none.] Is there anyone else wishing to testify in favor of S.B. 200 (1st Reprint)? [There was no one.] Opposition? [There was none.]

**Barry Smith, Executive Director, Nevada Press Association:**

As the Executive Director of the Nevada Press Association, I am concerned with the section regarding the reduction of notice. In general, it is very important, when we are talking about taking away people's real property, that proper notice be given, that there be third-party verification by someone other than the people involved, but that is what you are doing here. The public notices that go into newspapers do go on the Internet, as well through publicnoticeads.com. That is where people know to look for them, not google for them.

This section would provide a link to say the notice is in the paper with the address and the name of the property and here is the website to go to. The issue I have is the record of that notice. It is on the Internet for 20 days, and then it is gone. Where does it exist? How would you track it? How would you prove that it was correct and whether the provisions in the law were actually followed when you may be trying to track the ownership of this property two months or two years later?

I want to speak to the testimony regarding a Douglas County notice in a local paper that was \$2,700. I have examples of invoices from *Nevada Legal News*

that run from \$14.21 to \$74.16 per unit. Dozens of units are typically condensed into one notice. There is a discrepancy in how much these really cost.

**Assemblyman Hickey:**

You make some good points. One of the problems I have with this bill is it seems to be talking about two things. There was a very compelling argument made regarding the abuses of the owner lists after getting into the hands of unscrupulous folks, and now we have a second item with respect to this bill. While I understand your concern, we also address the fact that there are some obvious economic undertones that would affect the bottom line of those in your profession. Would you respond to that?

**Barry Smith:**

You are right. I testify quite frequently on public notices, and that they are in the newspapers, and obviously that is a factor that they are a source of revenue for the newspaper. I do not say that the industry is hurting, or that it is going to cost jobs, because I do not feel right about doing that. What I feel right about doing is saying that the state government, and this body have put into law the need for public notices and that there are certain issues—foreclosure on real property is one of them—where there needs to be a definite procedure to notify people. It has to be verifiable. It has to have third-party verification. That is the service that is provided, and that is why it exists. I am much more comfortable talking about those reasons than the economic reasons.

**Assemblywoman Carlton:**

In thinking about this when you are talking about timeshares, the person who owns that timeshare is not going to be a subscriber of the newspaper where this notice is posted. He could be in Mexico, Canada, or Puerto Rico and would have better access to the Internet than the actual newspaper. To me it seems if you really want to make sure that folks have access to this information, the Internet would be a better venue than a newspaper.

**Barry Smith:**

I absolutely agree, and that is why a year ago, because we face these questions every session, the Nevada Press Association established a website where member newspapers that publish public notices are uploading all of those notices every day. They are sortable by county, by keyword, and people can access those notices on the Internet. My point on public notices is always, why restrict how people can get them? Let us expand how they can be accessed, because that is the whole purpose—wide notice.

I believe there are 42 states that have the same connection with publicnoticeads.com—I may have misspoken earlier—a central place someone can go to search all public notices on all issues. I agree with you, but my point is, let us expand their access as broadly as possible.

**Assemblywoman Carlton:**

If I posted a public notice with a particular newspaper in the state, and there was a fee associated with that, would that public notice on the Internet be included in the price?

**Barry Smith:**

Right, there is no extra charge for that.

**Chair Atkinson:**

Are there additional questions? [There were none.] Is there anyone else in opposition to S.B. 200 (R1)? [There was no one.] Neutral? [No one.] We will close the hearing on S.B. 200 (R1).

Is there any public comment? [There was none.] Are there any additional comments, questions, or concerns from the Committee members? [There were none.]

The meeting is adjourned [at 3:43 p.m.].

RESPECTFULLY SUBMITTED:

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Sharon McCallen  
Committee Secretary

APPROVED BY:

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Assemblyman Kelvin Atkinson, Chair

DATE: \_\_\_\_\_

**EXHIBITS**

**Committee Name:** Committee on Commerce and Labor

**Date:** May 2, 2011

**Time of Meeting:** 1:48 p.m.

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance Roster
S.B. 289	C	Brett Barratt	Nonadmitted Insurance Legislation Proposed Testimony
S.B. 289	D	Jim Wadhams	Proposed Amendment
S.B. 142 (R1)	E	Robert Compan	Letter from Farmers
S.B. 200 (R1)	F	Karen D. Dennison	Prepared Testimony
S.B. 200 (R1)	G	Karen D. Dennison	Letter from Kevin J. Blair