

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

**Seventy-Seventh Session
March 25, 2013**

The Senate Committee on Commerce, Labor and Energy was called to order by Chair Kelvin Atkinson at 1:33 p.m. on Monday, March 25, 2013, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, 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 Kelvin Atkinson, Chair
Senator Moises (Mo) Denis, Vice Chair
Senator Justin C. Jones
Senator Joyce Woodhouse
Senator Joseph P. Hardy
Senator James A. Settlemeyer
Senator Mark Hutchison

GUEST LEGISLATORS PRESENT:

Senator Greg Brower, Senatorial District No. 15

STAFF MEMBERS PRESENT:

Marji Paslov Thomas, Policy Analyst
Caitlin Brady, Committee Secretary

OTHERS PRESENT:

Michael D. Hillerby, American Fair Credit Council
Robert Linderman, General Counsel, Freedom Debt Relief; Vice President,
American Fair Credit Council
Dan Wulz, Staff Attorney, Legal Aid Center of Southern Nevada
Annie Curtis, Chief Inspector, State Board of Cosmetology
Cokie Booth, State Board of Cosmetology
Gwen Braimo, Owner, Expertise Cosmetology Institute

John Grieco, Academy of Hair Design
Colleen Meyer, Regional Director, Marinello Schools of Beauty
Donna Griffith, Marinello Schools of Beauty
Sandra Dunham, Owner, Academy of Hair Design
Jeanette K. Belz, M.B.A., State Board of Cosmetology
Victor Madrigal, Vice President, Lunas Construction Clean Up
Doug Dobyne, Lunas Construction Clean Up
Chris Darling, A Track Out Solution
Roy Sprague, Green Built Development
Kyle Davis, Nevada Conservation League
Joe Johnson, Sierra Club, Toiyabe Chapter
James Westrin, Commissioner, Division of Mortgage Lending, Department of
Business and Industry

Chair Atkinson:

I will open the hearing on Senate Bill (S.B.) 288.

SENATE BILL 288: Revises provisions relating to debt-management services.
(BDR 56-976)

Senator Greg Brower (Senatorial District No. 15):

During the 75th Session, we passed the Uniform Debt-Management Services Act (UDMSA), which became *Nevada Revised Statutes* (NRS) 676A, to regulate the providers of credit counseling, debt settlement and related services. It included limits on allowable fees service providers may collect. Several other states have adopted similar language. In 2010, the Federal Trade Commission (FTC) completed a review of the debt-management industry and adopted new rules changing the way service providers can collect fees. The new FTC rules conflict with the UDMSA. Senate Bill 288 addresses the conflict and strengthens consumer protections in NRS 676A.

Michael Hillerby (American Fair Credit Council):

We supported the regulation of the debt-management industry in 2009 as The Association of Settlement Companies. Consumers who are behind in their debts are looking for debt relief options such as bankruptcy and credit counseling. I have provided a handout describing the differences between credit counseling and debt management ([Exhibit C](#)). We want bankruptcy to remain an option for consumers for whom debt settlement is not an option. This bill would bring State statutes into compliance with the new FTC rules. The FTC has banned the

collection of any fee until the debt-management service provider has settled the consumer's debt and an offer has been presented to and accepted by the consumer. In 2009, the UDMSA envisioned consumers would pay fees to the debt-management service provider from the beginning of the process. There are set up and monthly fees. Under the new FTC rules, fees are no longer allowed. Senate Bill 288 brings State statutes into compliance with new federal rules.

Chair Atkinson:

I vaguely remember the discussion in 2009. Does this bill change a compromise reached in 2009?

Mr. Hillerby:

We have worked with the Legal Aid Center of Southern Nevada on a few issues they have raised. We will work with them to address concerns. There was a considerable amount of time spent in 2009 determining the fee caps and the types of monthly fees allowed. The new FTC rule prohibits any fee until the debt has been settled, so that compromise is no longer relevant.

Chair Atkinson:

Is this bill being initiated by the new FTC rules?

Mr. Hillerby:

Yes. Mr. Linderman worked through the FTC process with the industry and can give you more details.

Chair Atkinson:

Can you please explain the new FTC rules?

Mr. Hillerby:

Page 3 of [Exhibit C](#) describes the FTC rule. I have also provided the FTC rule on advance fees ([Exhibit D](#)).

Robert Linderman (General Counsel, Freedom Debt Relief; Vice President, American Fair Credit Council):

In October 2010, the FTC banned the collection of advance fees. Advance fees involved payment by the consumer starting at the beginning of the contract, before the consumer received any services. Collecting advance fees allows for abuse, and we worked very hard with the FTC to prohibit this practice. With the new FTC rules, 80 percent of the industry has disappeared. The

debt-management service providers still practicing operate in full compliance with the FTC rules and are well capitalized and ethical. They are prepared to deliver services to the consumer. The new FTC rules require three conditions be met before a debt-management service provider can accept any fee. First, the debt-management service provider has to negotiate a consumer's debt successfully. Second, the provider must present the settlement to the consumer, and the consumer must agree to it. Third, the consumer must make a ratifying payment to the creditor. The consumer can ask the provider to renegotiate the settlement at any time. The debt-management service provider does not receive payment until the consumer is satisfied. Debt settlement has become the most consumer-protected financial service in the marketplace. The fee caps were appropriate when debt-management service providers were collecting fees from the beginning of the process. The FTC revamped the industry and decided fee caps were inappropriate because the marketplace is the best regulator of fees. The consumers regulate fees now. The consumer has the right to reject any settlement that does not meet all financial parameters. It does not happen often, but it can happen.

Senator Hutchison:

When do the service providers receive payment under the new rules?

Mr. Linderman:

I will give you a hypothetical situation. If you join my debt-settlement program owing \$10,000 to American Express, I would charge a 20 percent fee. My fee would be specified in the contract between us. The contract would state that I could not accept any fee until the three conditions were met. The first condition is that I negotiate a settlement for you in 6 months. For the second condition, I present a settlement to you of 42 cents on the dollar, so your settlement is \$4,200. My fee would be \$2,000, so your total cost to settle your \$10,000 debt is \$6,200. To satisfy the third condition, you would have to agree to the settlement and make a ratifying payment to the creditor. You could make a single payment or set up a term settlement to be paid over 6 months. After all three of those events have occurred, I am entitled to my fee. Even after you agree to the settlement but before you make the payment, you can change your mind and I am not paid. The consumer must be satisfied with the settlement in order for the debt-management service provider to collect a fee.

Senator Hutchison:

Does the ratifying payment trigger the obligation to pay the service provider?

Mr. Linderman:

Yes.

Senator Hutchison:

Does that apply to a single payment and a term settlement?

Mr. Linderman:

Yes.

Dan Wulz (Staff Attorney, Legal Aid Center of Southern Nevada):

This was part of the UDMSA negotiated and passed during the 75th Session. We have two concerns with S.B. 288. The new FTC regulations appear to apply only to telemarketers of debt-relief providers. Current law applies to all such providers. The FTC rules only ban setup fees and monthly fees. Subsection 6 of NRS 676A.580 caps the ultimate fee at 17 percent for a flat fee or 30 percent of the amount saved. It may be possible to meld the FTC regulations and preserve some of the fee caps under current law. We are willing to work with Mr. Linderman on these issues.

Chair Atkinson:

I request the interested parties to work together on the issues. I will close the hearing on S.B. 288 and open the hearing on S.B. 287.

SENATE BILL 287: Revises provisions governing cosmetology. (BDR 54-830)

Senator Joseph P. Hardy (Senatorial District No. 12):

The intent of S.B. 287 is to allow cosmetologists to obtain a duplicate license to place in a secondary location where they practice. I have submitted a proposed amendment ([Exhibit E](#)). Cosmetologists must literally take their license with them to the different locations where they practice. The State Board of Cosmetology (Board) would prefer the word "duplicate" instead of "copy" when referring to the second license. Section 1 of the bill allows the Board to adopt regulations for teaching a class in any branch of cosmetology outside of a school of cosmetology. The bill uses "may" on page 1, line 3. I would suggest changing that to "shall." The regulations can include requirements for curriculum, qualifications for instructors and Board approval of the location used. The classes and hours of teaching or attending class cannot count towards initial licensure; they are only for personal edification. Section 9 of the bill allows disciplinary action when violations of section 1 occur. It is compatible

with other licensure violation sections. There was a drafting mistake in section 10 of the bill. I do not want salicylic acid used at all. The change allows it to be used, the original language does not. I want to strike the new language on page 7, lines 41 and 42. Sections 1 and 9 should have an effective date of October 1, 2013, to allow the Board time to adopt regulations. The remainder of the bill can become effective upon passage or July 1, 2013.

Senator Settlemeyer:

As a disclosure, my wife is a cosmetologist. I appreciate the idea of duplicate licenses. My wife works at two shops and has to run back and forth so she can display her license as the law requires.

Senator Hutchison:

Is there something unique about cosmetology that they should be allowed to teach outside of a school setting?

Senator Hardy:

Cosmetology is unique. There are cosmetology schools for formal training. Continuing education is not usually done in the formal school setting, not even for medical doctors. It is similar to medical continuing education classes. The Board could allow anyone to take a class and learn some of the techniques without needing to become a certified cosmetologist. It would improve the knowledge base of the community.

Senator Denis:

I agree with the distinction between a copy and duplicate. A duplicate license is better than a copy. Would the cosmetologist need to designate where the duplicate license will be located?

Annie Curtis (Chief Inspector, State Board of Cosmetology):

Cosmetologists can take their licenses from place to place. There are no regulations governing a duplicate license. Having a specific location for the duplicate license would be advisable. It will help with inspections.

Senator Denis:

Would the cosmetologists still be able to take their licenses to a different location and practice?

Ms. Curtis:

Yes. They can take their original licenses to wherever they are practicing.

Senator Denis:

Does the bill require the duplicate license be assigned to a specific location?

Senator Hardy:

No, though we could include it. The idea of a duplicate license is for the cosmetologist to be able to place it on the wall of a secondary location.

Senator Denis:

We could amend the bill, or the Board could put it in their regulations.

Senator Hardy:

Yes, either of those would work.

Senator Settlemeyer:

Based on my wife's experiences, she has to have the license properly displayed for the clientele at all times. Therefore, many cosmetologists hang their licenses on the wall. A person can forget to take it off the wall and take it to another shop. The idea is for it to be displayed for all clients to see.

Senator Denis:

Can a cosmetologist get a duplicate license for each location of work? When that person applies for a duplicate license, does he or she specify at which location it will be placed?

Senator Hardy:

I think that would be appropriate.

Ms. Curtis:

The Board supports the bill. Currently, there are no specific guidelines governing the classes. The classes offered under this bill cannot be applied towards licensure. The Board will have the ability to approve curriculum on a case-by-case basis.

Cokie Booth (State Board of Cosmetology):

Senate Bill 287 will allow advanced enrichment classes for licensed cosmetologists. The Board will establish criteria and ensure regulations are

followed. This would allow for a theatrical makeup school in Las Vegas. That would be a large benefit with the expansion of the television and movie markets as well as for all the showgirls and performers in Las Vegas. Currently, if a distributor goes to a salon to teach a class, that person has to have 10 shampoo bowls in the room for it to be a legal class. If someone is presenting a class on makeup, 10 shampoo bowls are not necessary.

Gwen Braimo (Owner, Expertise Cosmetology Institute):

I oppose section 1 of S.B. 287. The Board has already set forth regulations governing cosmological establishments. The schools are regulated by the Board to instruct all branches of cosmetology. State law does not require cosmetologists to obtain continuing education credits. I would rather see continuing education requirements than allowing anyone to teach classes. There is also a demonstrator's license in place that allows salons the opportunity to have a manufacturer come in and demonstrate products. Manufacturers have advanced training classes for cosmetologists. Cosmetologists need advanced training, but this bill will allow breakout schools. There are no requirements for health, safety or sanitation. Cosmetologists could teach techniques to clients and take opportunities away from students. I have concerns with who will regulate the people teaching without an educator's license. The cosmetological schools have standards to meet and agencies to oversee them. The schools support the Board and are present at the meetings. We had not heard of this idea or legislation. I support the duplicate licenses portion.

Chair Atkinson:

How is an item presented to the Board? When and how often does the Board take action on an issue?

Ms. Braimo:

I do not know. I attended the last Board meeting. The schools always have representation at the meetings. We were not aware of this bill until recently. We watch what the Board does because last Session, there was a hair braiding issue we did not approve. It was legislation to allow an individual to take an exam, pay a fee and be licensed to braid hair. In the past year and half, the Board has licensed two or three individuals to do this. Cosmetology school is the foundation. It teaches academics and practical applications. I am concerned about how this bill will affect the health, safety and sanitation of the industry. There are no requirements for cosmetologists to obtain continuing education credits. Only instructors need them.

Chair Atkinson:

From what I understand, you are saying there is not a process by which the Board asks for input or recommendations on legislation.

John Grieco (Academy of Hair Design):

We do not want to compromise the safety of the public receiving cosmetological services in a salon. The schools spend hundreds of hours teaching techniques and effects of sanitation, bacteria control, chemical applications, scalp control and facial chemicals. The instructors cover these areas in their continuing education courses as well.

Senator Hutchison:

Section 1 of the bill allows the Board to set regulations and govern these new classes and teachers. Is there a lack of confidence in the Board?

Ms. Braimo:

Yes. The Board has gone through a number of changes in the past few years, and I do not foresee the Board monitoring salons. There are numerous licensed cosmetologists working, and we should be included in the discussions on this issue. Last Session, the schools were never informed the Board was sponsoring a bill to allow hair braiding without a cosmetological license. There are health, safety and sanitation issues to consider with hair braiding. You can damage hair follicles without proper training.

Chair Atkinson:

I have concerns similar to those of Senator Hutchison. Last Session, the cosmetology schools did not know what the Board was doing. The Board should represent their members.

Colleen Meyer (Regional Director, Marinello Schools of Beauty):

I have been a licensed cosmetologist for 30 years. I would like to speak for the cosmetology students. Our students attend 1,800 hours of classes and make many sacrifices. This bill will reduce their opportunities after schooling. Students learn diseases of the nails and skin and muscles of the shoulders, neck and face. They learn about hair follicles. Untrained people can cause irreversible damage by burning hair or skin. The Board and the U.S. Department of Education regulate beauty schools. This bill creates a slippery slope. We would move away from the structure and training in the traditional beauty schools. It will not benefit the students.

Donna Griffith (Marinello Schools of Beauty):

I have been in the cosmetology business for over 30 years. I am a licensed instructor. I am concerned with the standards and credentials of those teaching outside of a cosmetological school. Instructors are required to attend continuing education classes through manufacturers and distributors or through classes offered by the Board.

Sandra Dunham (Owner, Academy of Hair Design):

I have been in business for 40 years. On March 21, 2013, Anderson Live had a guest who received third-degree burns from chemical services. That is only the beginning of what can happen and why there is so much training and schooling. I am concerned with who will govern the outside classes.

Chair Atkinson:

What is a breakout school?

Ms. Braimo:

If a cosmetologist teaches a class, he or she would likely charge a fee to the cosmetologists attending the class. The cosmetologist teaching the class is not an educator. I worked for a major product company and was trained by the company to demonstrate products. Manufacturer demonstrations are already available in the State.

Jeanette K. Belz, M.B.A. (State Board of Cosmetology):

The Board welcomes input from its members through the regulatory process. Section 1 of the bill specifies the Board may adopt regulations governing the new classes. The Board did discuss and approve pursuing this legislation at a previous Board meeting in Reno.

Chair Atkinson:

Who is allowed to vote at the Board meetings? How do the members get notified of the issues being discussed?

Ms. Belz:

The Board meeting on this issue was in 2012.

Chair Atkinson:

Do you know approximately when in 2012?

Ms. Booth:

It was in the fall. The Board is being sued which is what spurred this legislation. We have had many people come to the Board wanting to teach classes outside of a cosmetological school.

Chair Atkinson:

How do the members find out about the topics the Board is discussing? Who gets to vote on the issues? Do you reach out to members?

Ms. Booth:

We have public comment before we vote. There are seven members of the Board and each member discusses and votes on issues.

Chair Atkinson:

Is it strictly up to the Board what legislation it pursues?

Ms. Booth:

Yes.

Chair Atkinson:

If members are not satisfied, can the Board still pursue it?

Ms. Booth:

No one has ever opposed this idea at the Board meetings.

Chair Atkinson:

Some people are adamantly opposed to some of the issues we have been discussing. There may be a problem with the way the Board is reaching out to its members. This is not the first time this has happened, and it should not keep happening.

Ms. Booth:

We did not sponsor the hair braiding bill last Session.

Ms. Belz:

We appreciate your comments. Last Session, the hair braiding bill was brought forward by an individual and was not an issue the Board had been discussing. The Board has been discussing the issues in S.B. 287. The Board meetings follow open meeting laws. The Board has been without an executive director for

about 3 months. I do not know if the regular Board meetings have been happening without an executive director. The Board reaches out to its members. Prior to today's hearing, I spoke to the Board and Senator Hardy to ascertain any opposition to the bill. The Board and Senator Hardy both said they had not heard of any opposition.

Chair Atkinson:

There is obvious opposition to the bill. It is disturbing the Board did not know of it before now. Someone is not communicating well.

Ms. Belz:

We are disturbed by it too. We will contact the schools and try to reach a compromise.

Chair Atkinson:

There needs to be compromise before we can move forward.

Senator Hutchison:

There are clearly disgruntled members of the cosmetology profession here today. Do you, as a Board representative, have an idea why the members do not feel the Board is competent?

Ms. Belz:

The opposition is alarming. The Board is conducting a second round of interviews for a new executive director today. I think having a new person in charge will help. We will make sure to outreach more to the members.

Ms. Curtis:

The Board approved pursuing this legislation at a meeting in Reno on November 4, 2012.

Ms. Braimo:

The cosmetology school owners made a vow to have representation at every Board meeting because of the issues last Session. Either an owner, a school director or another school representative is at every Board meeting in Las Vegas. This topic was never discussed.

Ms. Griffith:

I attend all the Board meetings in Las Vegas, and this is the first I have heard of this bill.

Senator Hardy:

I appreciate the dialogue we are having on this issue and the involvement of the schools and public. The Board needs to do more outreach work. I did not hear any objections to the duplicate licenses portion of the bill.

Chair Atkinson:

I request the parties to discuss the issues and try to reach a compromise. I will close the hearing on S.B. 287. I am opening the hearing on S.B. 316.

SENATE BILL 316: Requires provisions relating to materials recovery facilities.
(BDR 54-1067)

Senator Moises (Mo) Denis (Senatorial District No. 2):

Senate Bill 316 is the result of many discussions over the past few years. There was a briefing during the interim on the CityCenter development in Las Vegas. While constructing the CityCenter development, the construction company had to tear down old buildings. The company was able to recycle those materials, including glass and concrete, and reuse some of it in the new construction. I have become familiar with a materials recovery facility (MRF) during the interim as well. A MRF allows for the extraction of recyclable materials from solid waste. A MRF does not include a facility that only receives recyclable materials separated at the source of waste generation if further processing of the material generates less than 10 percent waste residue by weight on an annual average. Salvage yards for used motor vehicle parts and facilities that receive, process or store concrete, masonry waste, asphalt, pavement, brick or uncontaminated soil or stone are not considered MRFs. Other recycling centers require materials to be separated before being brought to the facility. A MRF transports all waste material to their facility and then separates it on-site. The State Environmental Commission, State Department of Conservation and Natural Resources, added regulations in 2000 defining and governing MRFs in the *Nevada Administrative Code*. Senate Bill 316 requires a contractor to dispose of certain solid waste produced by construction or demolition at a State-approved MRF if such a facility is located within a certain distance of the site of work. The bill states the distance is 15 miles; however, I have submitted an amendment ([Exhibit F](#)) to change the distance to 30 miles. Currently, the only

MRFs in the State are in the Las Vegas area. Changing the distance to 30 miles will cover all construction happening in the Las Vegas area.

Senator Hutchison:

I am familiar with the "Silver State" recycling facility. How many more MRFs are there in Las Vegas?

Senator Denis:

There are at least five MRFs. The testifiers in Las Vegas may know an exact number.

Senator Hutchison:

Is solid waste defined in statute?

Senator Denis:

Yes.

Victor Madrigal (Vice President, Lunas Construction Clean Up):

I am in favor of S.B. 316. Nevada has the lowest recycling rate of the western states. This bill will create jobs, reduce the burden on landfills and protect the environment. The bill compels all contractors to recycle debris through a MRF and will result in a significant increase in the amount of recyclable materials recovered. Last year, Lunas Construction Clean Up recovered 46 million pounds of recyclable material including concrete, asphalt, plastic, metal, cardboard, wood and green waste. I am in support of the proposed amendment, [Exhibit F](#).

Doug Dobyne (Lunas Construction Clean Up):

There are seven MRFs in southern Nevada, including Republic Services, Inc., which used to be called Silver State.

Chris Darling (A Track Out Solution):

I own a MRF in Las Vegas. Nevada has a low recycling rate, and we are looking to increase it. California's recycling rate has increased exponentially in the past 5 years. Clark County recently adopted an ordinance to increase the recycling rate of municipal solid waste, and we would like to see the construction sector's recycling rate increase as well. We bring comingled materials to our facility and separate the recyclables. This will also create jobs.

Senator Hutchison:

How much does it cost to send materials to a MRF compared to a landfill?

Mr. Darling:

We are able to give better pricing options because we recycle the materials. The materials we recycle all have a value and are commodities, so we can make money on those. If you were to take a 40-yard dumpster to a landfill, it would cost approximately \$310 to dump it. That does not include the transportation costs.

Senator Hutchison:

What is the cost comparison for you to process a 40-yard dumpster?

Mr. Darling:

The cost for our company to deliver, pick up and process a dumpster would be approximately \$300. The landfill charges approximately \$300 simply to dump the waste, not including the transportation costs.

Senator Hutchison:

What is the total cost for a landfill compared to a MRF?

Mr. Darling:

The total cost to take a dumpster to a landfill would be over \$400, for a MRF it would cost approximately \$300.

Roy Sprague (Green Built Development):

Approximately 80 percent of our clients require a certificate of recycling when we demolish something. I support S.B. 316. Many of the materials such as stucco, concrete, asphalt, insulation, drywall and plumbing and electrical materials are all recyclable commodities.

Kyle Davis (Nevada Conservation League):

We support S.B. 316. We are in favor of recycling.

Joe Johnson (Sierra Club, Toiyabe Chapter):

We support this bill. It is good for the environment and economy. This will also help facilitate green construction trades.

Senator Denis:

During the interim there was a study on recycling. The more we recycle, the greater ability we have to create a whole industry here to bring jobs and help the environment.

Chair Atkinson:

I will close the hearing on S.B. 316 and open the hearing on S.B. 354.

SENATE BILL 354: Revises provisions relating to mortgage lending. (BDR 54-1058)

Senator Mark Hutchison (Senatorial District No. 6):

I am sponsoring S.B. 354 on behalf of the Division of Mortgage Lending (Division), Department of Business and Industry. Currently, the commissioner of mortgage lending is required to regulate the activities of escrow agents, mortgage brokers and mortgage agents who perform certain services for compensation. In recent years, the mortgage loan servicers have played an increasing role in the market. There have been numerous allegations leveled against the loan servicing industry, including overcharging fees, illegal foreclosure activities and documented fraud. Residential mortgage loan servicers have gone largely unregulated in Nevada. The bill directs the commissioner of mortgage lending to adopt regulations for licensing residential mortgage loan servicers. The new regulations must include the method and form for the application for licensure; method and form for the issuance, denial and renewal of a license; the grounds for revocation, suspension and renewal of a license; and the imposition of a reasonable fee for application and licensure. The bill also requires the regulations comply with the *Secure and Fair Enforcement for Mortgage Licensing Act of 2008*. Senate Bill 354 extends to the commissioner the authority to impose administrative fines for violations of certain statutes or regulations committed by a residential mortgage loan servicer. The bill directs the Legislative Commission to appoint a committee to conduct an interim study of the State laws governing the mortgage lending industry.

James Westrin (Commissioner, Division of Mortgage Lending, Department of Business and Industry):

The foreclosure crisis brought to light several abuses in the loan servicing industry and exposed a gap in the Nevada regulatory scheme. Loan servicers who are based outside of the State but service loans in Nevada are required to register with the Division. However, the Division does not have authority to

supervise or investigate those businesses. Senate Bill 354 would close the gap in Nevada's regulatory scheme and establish a regulatory watchdog with the authority to scrutinize the activities of non-depository regulatory mortgage servicers. The bill would require the commissioner to draft, adopt and promulgate regulations to administer comprehensive licensing and regulation over residential mortgage loan servicers in Nevada. There are approximately 170 residential mortgage loan servicers in the State. The Division will have to conduct annual or periodic examinations or investigations of a licensee's books and accounts to determine compliance. This would require an additional seven investigation personnel. The Division is 100 percent fee-funded and would continue to be self-supporting. Section 9 of the bill instructs the Legislative Commission to appoint a committee to conduct a comprehensive review of statutes and regulations governing the residential mortgage loan servicing industry. There have been a number of changes to statutes and regulations to respond to different issues in the mortgage industry. Nevada's mortgage regulatory scheme has become convoluted, and the Division believes a comprehensive review will be beneficial.

Chair Atkinson:

I will close the hearing on S.B. 354. We have eight bill draft requests (BDRs) to introduce. I am requesting Committee introduction of BDR 9-636.

BILL DRAFT REQUEST 9-636: Revises provisions relating to foreclosures. (Later introduced as [Senate Bill 491](#).)

SENATOR DENIS MOVED TO INTRODUCE BDR 9-636.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Atkinson:

I am requesting Committee introduction of BDR 9-641.

BILL DRAFT REQUEST 9-641: Revises provisions concerning real property transactions. (Later introduced as [Senate Bill 492.](#))

SENATOR DENIS MOVED TO INTRODUCE BDR 9-641.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Atkinson:

I am requesting Committee introduction of BDR 54-642.

BILL DRAFT REQUEST 54-642: Makes various changes concerning real property transactions. (Later introduced as [Senate Bill 493.](#))

SENATOR HUTCHISON MOVED TO INTRODUCE BDR 54-642.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Atkinson:

I am requesting Committee introduction of BDR 54-1093.

BILL DRAFT REQUEST 54-1093: Revises provisions relating to real estate brokers. (Later introduced as [Senate Bill 494.](#))

SENATOR HARDY MOVED TO INTRODUCE BDR 54-1093.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Atkinson:

I am requesting Committee introduction of BDR 57-1094.

BILL DRAFT REQUEST 57-1094: Authorizes the electronic delivery of certain insurance documents. (Later introduced as [Senate Bill 495](#).)

SENATOR HARDY MOVED TO INTRODUCE BDR 57-1094.

SENATOR HUTCHISON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Atkinson:

I am requesting Committee introduction of BDR 57-1095.

BILL DRAFT REQUEST 57-1095: Revises provisions relating to portable electronics insurance. (Later introduced as [Senate Bill 496](#).)

SENATOR DENIS MOVED TO INTRODUCE BDR 57-1095.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Atkinson:

I am requesting Committee introduction of BDR 57-1096.

BILL DRAFT REQUEST 57-1096: Revises provisions relating to plans for dental care. (Later introduced as [Senate Bill 497](#).)

SENATOR HUTCHISON MOVED TO INTRODUCE BDR 57-1096.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Atkinson:

I am requesting Committee introduction of BDR 58-1097.

BILL DRAFT REQUEST 58-1097: Revises provisions relating to telecommunications. (Later introduced as [Senate Bill 498](#).)

SENATOR WOODHOUSE MOVED TO INTRODUCE BDR 58-1097.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Atkinson:

There is no further business. The meeting is adjourned at 3:09 p.m.

RESPECTFULLY SUBMITTED:

Caitlin Brady,
Committee Secretary

APPROVED BY:

Senator Kelvin Atkinson, Chair

DATE: _____

<u>EXHIBITS</u>				
Bill	Exhibit		Witness / Agency	Description
	A	1		Agenda
	B	3		Attendance Roster
S.B. 288	C	3	Michael Hillerby	Handout
S.B. 288	D	1	Michael Hillerby	FTC Rule
S.B. 287	E	5	Senator Joseph P. Hardy	Proposed Amendment
S.B. 316	F	2	Senator Moises (Mo) Denis	Proposed Amendment