

# Nevada News

Serving the Retail Community Since 1969

March 2005

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## Tort Reform, College Sports Betting in Nevada Casinos and More... Representative Gibbons Speaks on Issues

*Interview: This is the last part of the interview that Mary Lau, executive director of the Retail Association of Nevada, conducted with Representative Jim Gibbons. The first half appeared in the February 2005 issue of Nevada News.*

**Q. You co-chair the Congressional Gaming Caucus. Could you tell us about your work on gaming issues and what your plans are? Do you think there will once again be an effort to ban betting on college sports in Nevada casinos?**

**A.** As the co-chair of the Congressional Gaming Caucus with Representative Berkley, we have our sights set high for the 109<sup>th</sup> Congress. First and foremost, we must increase Congressional awareness regarding the importance of the gaming industry and continue to inform members of Congress on legislative and regulatory issues facing the gaming industry and its employees.

Currently, no legislation has been introduced in Congress to ban college sports betting. However, Senator John McCain has introduced the Amateur Sports Integrity Act in the Senate in previous years. This legislation would essentially ban college sports betting. Please know that I am a strong defender of Nevada's regulated college and amateur sports wagering industry. There is absolutely no plausible evidence to suggest that the legal betting in Nevada is in any way responsible for the illegal sports wagering occurring mostly on our nation's college campuses. Legal wagering on sports in Nevada makes up only one to three percent of all sports bets nationwide. The other 97 to 99 percent occurs illegally under existing federal and state laws.

By banning legal college sports betting in Nevada, you will actually eliminate an essential tool used by law enforcement to detect unusual betting patterns leading to illegal activity, such as the point shaving scandal involving some Arizona State University basketball players in 1994. This legislation would also create an unfortunate and undue economic burden on thousands of Nevada's families, whose livelihoods depend on the upstanding reputation of the casino-entertainment industry. We have been successful in educating many members regarding this issue, and I am hopeful the legislation will not be reintroduced.

**Q. As part of your congressional duties, you visit different countries on fact-finding missions, one of which was Iraq. What was your impression after talking with the Iraqi people about the war, its success or problems and (at that time) the upcoming elections?**

**A.** During my visit to Iraq, I was impressed with the resilience, pride and strength of the Iraqi people. They should be commended for what they have endured

# Seen & Noted

## **CDW Corp Lands Site in Las Vegas for New Distribution Center**

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CDW Corporation has picked North Las Vegas as the site for a new 513,240 square foot distribution center. "This is an important milestone for CDW," said Doug Eckrote, senior vice president of purchasing and operations. He added, "The growth of our business has created an opportunity for us to expand our operations geographically and enhance CDW's superior customer service."

The company plans to have the new facility operational by the end of 2005. It will predominantly serve customers located in the Western United States and complements CDW's existing 450,000 square foot distribution center in Vernon Hills, IL. Capital expenditures for the new center are expected to be between \$30 and \$40 million in 2005 for machinery, equipment and leasehold improvements.

Eckrote said, "The speed and accuracy of our distribution systems are a key competitive advantage for us. Our new facility's operations will allow us to improve efficiency and productivity, while enhancing our ability to respond with a sense of urgency to our customers' IT needs."

The current plans call for the facility to have a product configuration center in a clean-room type setting. At approximately 25,000 square feet, more than three times the size of the company's existing Enterprise Configuration Center in Vernon Hills, the center will offer expanded capability for CDW technicians to configure products to customers' specifications. The company also plans to transfer about 30 experienced coworkers to Nevada from Illinois on a permanent basis. CDW will initially employ 170 to 180 people, including the 30 transferred from Illinois. The company currently employs about 3,800 workers.

CDW is a leading provider of technology products and services to business, government and education. The company is a principal source of technology from top name brands such as Adobe, APC, Apple, Cisco, HP, IBM, Microsoft, Sony, Symantec, Toshiba and ViewSonic. It's ranked No. 376 on the Fortune 500.

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## **Internet Retailer Offers Guide for E-Retailing**

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Maybe you've thought about venturing into selling your products online but just haven't figured out where to start. Internet Retailer, a leader in information for e-retailers, has just released a comprehensive guide to selling on the Internet. The *2005 Guide to E-Retailing Resources* is an independently researched and comprehensive analysis of all resources available on the market for e-retailers.

The *2005 Guide* provides detailed research on every solution and service provider targeting the e-retailing market, a result of extensive independent surveys of the market by the editors of *Internet Retailer* magazine. Contents include 380 detailed profiles of vendors who provide e-retailing services and solutions, organized into 17 key product and service categories. Each vendor profile covers information such as the vendor's history and strategy for serving the market, a complete description of its primary e-retailing solution, pricing information on its e-retailing products and services, contact information, etc.

The cost for the guide is \$39 plus \$5.95 shipping and handling. To find out more, go to [www.internetretailer.com](http://www.internetretailer.com). You can also find out about how the world of e-retailing works by subscribing to the online and/or hard copy magazine, *Internet Retailer*.

## Gibbons Speaks on Issues

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through the tyranny of Saddam Hussein. Their perseverance was evident in the recent national election. The election shows that most of the Iraqi population reject the terrorists' agenda and showed great courage in going to the polls on Sunday. The Iraqi Security Forces have reflected that determination in apprehending terrorists and criminals. During the last three weeks, Iraqi forces have arrested more than 350 terrorists and have allegedly come close to capturing the Jordanian terrorist Abu Musab al-Zarqawi. I am certain the people of Iraq will continue to make great strides towards becoming a successful democracy.

***Q. President Bush has outlined an aggressive agenda that includes tort reform. In our members' opinion, this is a critical area both at the federal and the state level. Do you think that Congress will take any action to relieve businesses of the current litigious environment?***

**A.** There are several measures moving through Congress right now that will begin the work to address the abuse of our tort system. The Senate is due to take up a bill this week that will reform the class action system. The bill (S.B. 5) is designed to shift class action lawsuits into the federal courts when the total amount in dispute reaches \$5 million and when any plaintiff and the defendant live in different states. The bill would also prevent "venue shopping" by lawyers looking for a friendly jury.

The House has already done work and passed several measures on these issues, in addition to passing the Lawsuit Abuse Reduction Act, which sought to impose limits on frivolous lawsuits, and a bill that prohibited any cases from being brought against the fast food industry because of an obese customer. Yet, none of these bills have passed in the Senate over recent years. As we again debate these issues, I will continue to support efforts to prevent frivolous lawsuits and to reduce the burden they pose on our businesses.

***Q. Back to health care. Several legislators in Nevada are suggesting that Canadian prescription drugs should be an option. Federally, this is illegal; however, no effort is being made to stop it at the state level. This brings up issues of drug supply and making U.S. citizens pay all research and development costs. Pharmacies are at the bottom of the food chain when it comes to drug prices and operate with an extremely low margin. Yet, they are expected to bear the brunt of the burden. Do you see a way that we can level the playing field so that drug prices can be lowered?***

**A.** No senior should ever have to make the difficult choice between purchasing prescription drugs and putting food on the table. That is why I support the Medicare Prescription Drug legislation in the 108<sup>th</sup> Congress. This legislation gives every Medicare-eligible senior access to an affordable prescription drug benefit, with extra help to low-income seniors. In addition, seniors have received immediate savings of 15 – 25 percent through a prescription drug discount card that will continue to be available this year before the entire drug benefit begins in 2006.

As you mentioned, one potential solution to rising drug prices is allowing drug reimportation. Basically, this would allow consumers and pharmacies to purchase prescription drugs abroad. In the Medicare Prescription Drug bill, Congress commissioned HHS to create a task force to look into the safety of allowing drug reimportation. In addition, Congress also requested that the Department of Commerce review the legal and economic challenges of legalizing drug reimportation. Both were



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## Gibbons Speaks on Issues

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***“As you mentioned, one potential solution to rising drug prices is allowing drug reimportation...[but] there are some serious concerns with regards to drug reimportation.”***

released in December 2004, and both studies provided some fascinating insight into the drug reimportation debate. The HHS task force concluded that there are some serious safety concerns with regards to drug reimportation, and the Department of Commerce had some mixed reviews of the economic benefits and challenges of drug reimportation. Bottom line: ensuring patient safety is my number one goal. Once that can be achieved, it is my hope we can move forward with programs that allow for reimportation to lower patients' drug costs.

***Q. Streamline Sales Tax, the collection of sales tax over the Internet, has been a very important issue for Nevada's retailers. Nevada is one of the founding states and serves on the governing board for this project. A recent report generated by the University of Nevada, Reno, shows that the potential loss in revenue is in the hundreds of millions of dollars. Since this is not a new tax and does not affect Internet companies, just Internet merchants, do you see Congress acting on this now so that states can proceed to make agreements and collect the revenues due them?***

A. As you may know, the existing moratorium on Internet sales tax was enacted in 1998, extended with President Bush's signature in 2001, and is set to expire in November 2007. This moratorium outlaws three types of taxes that unfairly single out the Internet: taxes on Internet access; double taxation (for example by two or more states) of a product or service bought over the Internet; and discriminatory taxes that treat Internet purchases differently from other types of sales. In addition, the moratorium contained a grandfather clause that permitted a few jurisdictions already taxing Internet access to continue to do so.

***“Furthermore, neither the tax moratorium nor its extension to 2007 affects the ability of states to collect sales tax on Internet purchases.”***

Furthermore, neither the tax moratorium nor its extension to 2007 affects the ability of states to collect sales tax on Internet purchases. The moratorium bars only multiple and discriminatory taxes and taxes on Internet access. The U.S. Supreme Court set the current rules governing state or local government's ability to levy regular sales or use taxes on products bought out-of-state in its 1992 Quill decision.

Last year the House of Representatives introduced H.R. 49, the Internet Tax Non-Discrimination Act. H.R. 49 would permanently extend the moratorium on new taxes and strike the grandfather clause currently in place. Proponents of this elimination argue that federal law should no longer reward those tax authorities that rushed to be the first ones to tax Internet access; therefore, the grandfather clause needs to be eliminated. For this reason, I was a cosponsor of this important bill and will support it should it be re-introduced in the 109<sup>th</sup> Congress.

***Q. Congressman Gibbons, Nevada is rapidly approaching what we believe is critical mass. We have record spending increases. A revamping of our tax system that was jammed through the second special session in 2003 desperately needs to be fixed. We have had multiple special sessions since Joe Dini retired as Speaker of the Assembly. We keep hearing buzzwords such as structural deficit; yet, with all of the excess revenues and increased revenues, nothing is being readjusted to make sure that we don't have to go to the public again. I guess, basically, Bill Raggio can't do it all, and we have a leadership gap. When will you be making a decision about running for Governor? We need the help, sir!***

A. I will make a decision about my political future at the appropriate time. I am committed to serving the people of Nevada in whatever capacity is most beneficial to the state. I am proud to serve the Second Congressional District in the House of Representatives and look forward to fighting for the issues that are important to Nevadans in the 109<sup>th</sup> Congress.

## The Underlying Tone of This Session

By **Mary Lau**

Executive Director, RAN

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The 2005 Legislative Session is one of the more interesting ones that I have attended over the past twenty some years. All Retail Association members were actively interested in the previous session and continue to make comments about the difficulty and rancor displayed at that time.

At the beginning of this legislative session, Speaker Perkins gave a most unusual opening speech; however, part of that speech included reconciliation and teamwork. He highlighted that all Assemblymen and women represent Nevada citizens and that cooperation and respect were a part of his expectations. The Speaker apologized for any hurt feelings that his actions may have caused and extended personal public apologies to certain named legislators. Public admission is rare, and I must admit while watching this speech, I admired the Speaker for his candor.

Since that opening day, lobbyists and legislators have been watching the tone and "temperature" of bills, negotiations and to see how this will play out. Generally, I will say that some people are trying and some Assembly members have reached out honestly and discussed their concerns and even disappointments where RAN was supporting their opponents. Others have acknowledged the differences, and as professionals and responsible representatives of their constituents, continue to talk with and work with RAN staff. We admire and compliment this outreach.

Of course, the gamesmanship of politics is still prevalent, but it is more underground this session. There is a public face of cooperation between parties, but the games of diverting a legislator's bill to the

Ways and Means Committee where it will not be heard from again is still alive and well. Other bills have been hijacked by committees, forcing freshmen to negotiate to even allow their constituents' concerns to be aired. It is sad to watch the childish punishment given out for the alleged crime of participating in the political process and supporting efforts to unseat incumbents. But then again, oftentimes when people obtain the privilege of voting, they forget all manners and courtesies that they must have been taught as a child.

Right now, the legislature is at a standstill so that property taxes can be handled in a carefully considered way. This is a good thing, and the leadership in both houses is working hard to come up with a good, fair, legal and effective solution. Hopefully, these efforts will be successful. Also, when the massive amount of work on every other issue begins, let's hope that leadership guides the session in a more productive way and honestly works so that all citizens of the State of Nevada receive full representation from their elected officials.

### ***Sales Tax Holiday Bill Introduced***

By **Paul Enos**

Manager of Government Affairs, RAN

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Democratic Senators Maggie Carlton, Dina Titus and Steven Horsford, and Democratic Assembly members Speaker Richard Perkins, Barbara Buckley and John Ocegüera have introduced Senate Bill 167 to create a sales tax holiday. The current sales and use tax was initially approved by the Nevada Legislature in 1955, and approved by the voters in a referendum on Nov. 6, 1956. Under existing law, if the voters approve a statute or resolution in a referendum, the statute or resolution is the law of the State and may not be amended, annulled, repealed, set aside, suspended or in any way made inoperative except by the direct vote of the people.

S.B. 167 requires that a question be submitted to the voters at the 2006 General Election on whether the Sales and Use Tax Act of 1955 should be amended to allow the Legislature to establish temporary sales tax exemptions.

Currently, one dozen states and the District of Columbia have implemented sales tax holidays, and each state exempts different items for varying lengths of time. In Massachusetts all retail items are exempt from tax for one day in August, while in New York state only clothing and footwear are exempt, but the holiday lasts for one week. However, most states' holidays last for three days in August and cover back-to-school items such as clothing, footwear, computers and school supplies.

If this measure is approved, then it would be left to the Nevada Legislature to determine what items would be exempt from sales tax and the period of time that the holiday would be in effect.

## *Filling a Need*

# Lend-A-Hand Senior Services

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*Tammy Sisson, Lend-A-Hand founder, talks about legislation to help seniors.*

Some people seem to be doing the exact right thing they were meant to do. Tammy Sisson is one of those people. She says it wasn't a choice; it is just something she was meant to do.

In 1992, Tammy started Lend-A-Hand Senior Services, an agency with the primary focus of making life easier for senior citizens who need help. It wasn't that it suddenly seemed like a good idea. Tammy says, "I just wanted to take care of people." Although she can't really say why she wanted that, she says the impetus definitely came from her childhood.

Tammy grew up in a home with both her parents and grandparents in residence in Truckee, CA. She says her grandparents were incredible. "Their wisdom was so deep." And when asked in the third grade what she wanted to be when she grew up, she said, "I want to buy groceries for my granny."

When Tammy decided to go to college, she moved to Reno to pursue a degree in social work with a minor in gerontology at the Sanford Center for the Aging. She took classes and worked and in 1987, she was working in home care at St. Mary's. Part of

her job was to approve people for Medicaid help. That's how she met Clifford Grey.

When she called Mr. Grey, as she refers to him, to evaluate him for a wheelchair, he couldn't hear her. That wouldn't do, so she just drove to his home in Verdi to talk to him personally. There she found him living by the railroad tracks in a tiny, sparsely furnished home and wondered out loud how he could live there. He said his family had tried to move him to a nursing home, but he got a lawyer. He wanted to live out his life independently. Tammy had found her first "client."

### ***Tammy Remembers Mentor***

For the next five years, she visited him for a couple of hours a day, five days a week, to prepare his meals. He became her friend, and she learned first hand some very important things about aging. She says, "Older people don't eat big portions. They wind down, and they're happy just being." She says we may want them to be active, to live the life we want at 40- or 50-years-old, but "You can't impose your beliefs on them."

She says Lend-A-Hand is essentially the culmination of all her life experience and prayer. How did she decide to actually start the business? "I prayed, 'Send me people to care for.' God gave me the idea. It just came."

She started the business out of her home. She had just had a baby, and a home-based business was right for the time. Her mother, Jenny Stella who still does all of the accounts payable and receivable, was her first partner. Business grew and both her father, Joe Stella who oversees the program on a daily basis and takes care of human resources, and her husband, Paul, who

provides technical support, joined. Within a year, the business had to move to a bigger quarters outside the home.

Lend-A-Hand offers services everyday, 24 hours a day. All caregivers are bonded and can help with any number of daily activities from bathing and personal care, preparing meals, running personal errands, housekeeping, grocery shopping, companionship and more—just about everything that is non-medical.

Tammy says there was a huge need for the business 15 years ago, and Lend-A-Hand was a pioneer in the field. Now, along with the growing need for such agencies, Tammy says there is a need for regulation, and she has taken her first foray into the legislative arena. Assemblywoman Heidi Gansert agreed to sponsor a bill for her, BDR 312, to license homecare agencies. Tammy says the industry needs some rules to stop such practices as agencies that ask for payment before any service has even been given. She's confident that the bill will get through because at her first meeting in Carson City, she found out that the Division of Health Care Finance will carry the bill.

### ***Tammy and Family Extends Services to a Day Care Facility, Share the Day***

Just last July, Tammy and family also opened Share the Day, an adult day center at 120 Vine St. in Reno. The focus is primarily on those suffering from dementia and Alzheimer's. Running a business and taking care of her family takes a lot of time, and Tammy says, "I missed the contact [with elders.]" Now she spends

[Lend-a-Hand continued on page 7](#)

## Lend-A-Hand

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*Share the Day lets Tammy get back to spending time with clients. Tammy is with Rosalee Hurley, top, and with Sheryl Garner, left.*



time in an open-door office that lets her interact with elderly clients who have come to participate for several hours a day in a number of activities with the help of trained caregivers.

Watch her as she sits to help Rosalee Hurley with a puzzle. Rather than ask Rosalee, "Can you do this puzzle?" Tammy will say, "Will you help me put this back together?" Tammy says you have to be aware that although the person may not be able to put

the puzzle together herself, she knows what a puzzle is, and as a caregiver, you don't want to add distress to the activity.

When she first opened Share the Day, Tammy tried to find an activities director. When she couldn't find one, she just did it herself. She brought to the job what she brings to all her interactions with seniors and what she teaches her caregivers, and that's her basic philosophy—approach the job with compassion and commonsense.

That philosophy has served her well in her pursuit to help make life better for the seniors in need. What she learned from Mr. Grey she has compounded by continuing to observe exactly what her clients need—some help, a lot of love, and respect. That, her faith, and her great business sense should carry her businesses to a great future.

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## E-Retail Conference Delivered Over the Internet

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**Y**ou know that selling your merchandise on the web is probably a good idea. The numbers go up monthly citing how many people are now ordering merchandise from websites, and credit card companies are busy ensuring that their card users are safe from credit card theft on the Internet. All you need now is some know how. Maybe it's time to attend an Internet retailing conference.

The *Internet Retailer*, producers of a news magazine on the web and in printed form, is holding its first e-retail conference, the Internet Retailer 2005 Conference & Exhibition, on June 7 and 8 in Chicago. It will be two days packed with speakers and manned booths offering all the latest in information to get you started selling on the Internet.

There are 45 presenters including two keynote speakers—Wes Arens of amazon.com on the first day and Fiona Dias of Circuit City Direct on the second day. The conference will cover retailers of all kinds, chains, cataloguers, web-only merchants and manufacturers.

For more information, go to the web at <http://www.internetretailer.com/IR2005/index.htm>.

## • Seminars •

### **April 2005**

#### **Grocery Supply Company Marketplace 2005**

April 16 - 17, 2005  
Arlington, TX

Contact: Lori Ray, 800-231-1938

### **May 2005**

#### **FMI Institute Supermarket Industry Convention & Ed. Expo**

May 1 - 3, 2005  
Chicago, IL

Contact: 202-220-0807

#### **NACDS Marketplace Conference**

May 4 - 7, 2005  
New Orleans

Contact: 703-549-3001 or [www.nacds.org](http://www.nacds.org)

#### **NACStech 2005**

May 16 - 18, 2005  
Nashville, TN

Contact: 703-684-3600

### **June 2005**

#### **Internet Retailer 2005 Conference & Exhibition**

June 7 - 8, 2005  
Chicago, IL

Contact: <http://www.internetretailer.com/IR2005/index.htm>

#### **Retailer's Bakery Association Marketplace 2005**

June 16 - 18, 2005  
Chicago, IL  
Contact: 800-683-0924

### **August 2005**

#### **NRF Tech - IT Leadership Summit**

August 7 - 9, 2005  
La Jolla, CA  
Contact: 202-783-7971

#### **Abbreviations**

FMI • Food Marketing Institute  
NACDS • National Association of Chain Drug Stores  
NACS • National Association of Convenience Stores  
NRF • National Retail Federation

# Smoking Issues Discussed at the Legislature

By Elizabeth MacMenamin  
Director of Government Affairs, RAN

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The Assembly Judiciary Committee tabled the two non-smoking initiative petitions, so at this time, it will probably be left to the voters to decide in 2006. The petitions are the *Nevada Clean Air Act* and *Responsibly Protect Citizens from Second Hand Smoke*. Ultimately the *Nevada Clean Air Act* would preempt state law and hand control over to local health departments in each county.

We have always opposed giving control to the local jurisdictions because of the possibility of a myriad of different regulations. We will continue to support that the legislature deal with this issue so that business owners will be assured of consistent and easier-to-comply-with regulations.

The Lung Association and the Cancer Association are spearheading the *Clean Air Act* on direction from their nationals with little or no understanding about our state. Their petition would ban all smoking indoors, with the exception of gaming areas in casinos, which is an effort to keep the gaming industry neutral on this petition. However, they are asking for virtual control of any area in the resorts except areas where there are slot machines and games. This would also ban smoking in all bars that serve any type of food other than prepackaged foods. Basically, they are asking to control your business decision to provide an area for someone who chooses to smoke.

The *Responsibly Protect Citizens from Second Hand Smoke* petition includes provisions that are already state law. It would continue to allow a business owner to make the decision to ban smoking or to allow smoking in a restricted area that does not allow access to anyone under 21 years of age. This petition would also allow the business owner to designate an area or the entire business as a no-smoking

business.

The "Responsibly Protect" petition would be a problem for the Lung and Cancer associations because this would give business owners the opportunity to decide on this issue. The *Nevada Clean Air Act* would like to dictate to you what your business practice should be. Ultimately it is saying that you are incapable of making business decisions for

***We will continue to support that the legislature deal with this issue so that business owners will be assured of consistent and easier-to-comply-with regulations.***

yourself. Someone else should be able to make this choice for you. Many of you have already made the choice to be a non-smoking business, but the *Act* would take away your right to make that decision on an individual basis.

Further, the legislature could place a third option on the election ballot for consideration that could put current smoking laws in a ballot question to compete with the other two.

The *Clean Air Act* would make smoking a criminal act, which would further tax our police departments. I am not sure why we would want to make this a criminal offense, but that would require an increase in the police force as testified by a lobbyist for the Metro Police Department. I

think it would be more important to catch someone in the act of smoking as opposed to, say, murdering someone.

As many of our grocery members know, all stores are required to be retrofitted by Dec. 31, 2006, to have all slot machines in an enclosed area with required ventilation so that no smoke can filter out into the main store area. The 2003 Legislature set the date in consideration of the cost to businesses to accomplish this in a timely manner. The *Clean Air Act* would not even allow smoking in many areas that you have remodeled in order to accommodate your clientele that chooses to smoke while

playing slots.

We will keep you apprised of any action that may occur during the legislative session. It might be something we will all be working on this next election cycle. Please see below for further explanation of what these petitions will do.

## **Nevada Clean Indoor Air Act Petition –**

1. Smoking would be banned in restaurants, including casino restaurants.
2. Smoking would be permitted in the gaming areas of casinos.
3. Smoking would be banned in bars that serve meals.
4. Smoking would be banned in all

Smoking Petitions continued on page 9

## Nevada Minimum Wage Proposal

Following is a summary of the Nevada Minimum Wage Constitutional Amendment, A.K.A. "Raise the Minimum Wage for Working Nevadans."

- Constitutional Amendment approved by voters in the 2004 general election by a wide margin of 68.3 percent to 31.6 percent.
- Because it is a constitutional amendment, it requires a second approval by voters in 2006.
- A constitutional amendment becomes very difficult to remove or amend, as it would require approval by voters in two statewide elections.
- A statutory enactment of the provisions in the constitutional amendment at the 2005 legislature would not stop the amendment from appearing on the ballot in 2006. Any statutory changes enacted this session in conflict with the constitutional amendment would be overridden if it passes in 2006.

### **Key Provisions of the Increase –**

- Nevada's minimum wage would immediately increase by \$1 per hour from \$5.15 to \$6.15.<sup>1</sup>
- Nevada's wage would always stay \$1 above the federal minimum wage, i.e., if the federal government increased the minimum wage to \$7.15 as proposed in Congress, Nevada's wage would increase to \$8.15.
- Automatic increases would be based on inflation. Nevada's minimum wage would also increase annually at a rate of up to 3 percent based on CPI increases. (Even with a federal increase to \$7.15, CPI increases would kick in at the point at which their compounded value eclipsed the \$2.00 per hour increase.)
- Current law outlaws any tip credit. The amendment would similarly do so as a part of the Nevada Constitution.

### **Exemptions –**

- Employees for whom employers provide health coverage so long as the employee's contributions including coverage for dependents do not exceed 10 percent of gross taxable

income.

- Employees under 18 years of age employed by a nonprofit organization for summer or school employment or as a trainee for a period of up to 90 days.<sup>2</sup>
- Employees subject to a collective bargaining agreement. (Provisions of the amendment "may be waived in a bona fide collective bargaining agreement...")

<sup>1</sup>Nevada's minimum wage is set in Nevada Administrative Code (NAC) 608.110 that

*provides the minimum wage is \$5.15 per hour for employees 18 or older and \$4.38 per hour for those who are under 18.*

<sup>2</sup>Federal minimum wage laws, which are found in the Fair Labor Standards Act (FLSA), permit lower wages to be paid to certain "youth" employees during their first 90 days of employment and fulltime students. The provisions of the amendment appear to be drafted so as not to conflict with federal laws. In cases where there is a discrepancy between federal and state law, employees are entitled to the wages that are the higher of the two.

## Smoking Issues

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- areas of convenience and grocery stores.
- 5. Local governments could pass more restrictive smoking laws than the state.
- 6. Smoking would be banned in all video arcades, government buildings, malls, retail stores, child care facilities and on all school property, including at outdoor events.
- 7. In areas or businesses where smoking is permitted, business owners can still designate additional non-smoking areas and declare the entire business as non-smoking.
- 8. No smoking signs must be displayed prominently in non-smoking areas.

### **Responsibly Protect Citizens From Second-Hand Smoke Petition –**

1. Smoking would be permitted in all areas of casinos.
2. Smoking would be permitted in bars and areas of restaurants that are restricted to people age 21 and older.
3. Smoking would be permitted in slot machine areas of stores.
4. Smoking laws could be approved only by the state legislature.
5. Smoking would be banned in all video arcades, government buildings, movie theaters, hospitals and medical offices, all school property, including outdoor events, and in childcare facilities that are not private homes.
6. Smoking would be banned in malls and retail stores, except around slot machine areas.
7. In areas of businesses where smoking is permitted, nothing could stop the business owner from designating areas or the entire business as a no-smoking business.
8. No smoking signs must be displayed prominently.

Source: Initiative petitions

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## Self Insured Group

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**Are processing fees cutting into your profits?**

Cut your processing costs and boost your overall savings with our new, discounted payments program from our endorsed processor - Global Payments.

With Global Payments, you get the advantage of industry-leading hardware and software with market specific features designed for retail systems.

- End-to-End Payment Card Processing for Credit, Debit, Purchasing, Gift & Loyalty, Stored Value and EBT
- Electronic Check Guarantee, Verification and Recovery
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### **Important information for SIG members**

The NRS governing self insured groups requires notifying members of all new members to the Group. New members for NRNSIG from February 11, 2005 to March 8, are listed below. For a complete member list, please call RAN at 775-882-1700.

#### **NRNSIG**

Buddy's LP	Jimmy G's Cafe
Carson Armory, Inc.	Keller Williams Group One, Inc.
Country Rock & Roll Store	Oasis Animal Hospital, Inc.
Desert Birkenstock	Qdoba Mexican Grill
Divine Carpet Cleaning, Inc.	Rants Plumbing LLC
Environmental Science International, Inc.	Resort Entertainment Companies LLC
Ernest Sussman, MD, Chtd.	Rock & Roll Experience
GAVCO Distributing, Inc.	Seamless
Classic Art	Sheri's Cabaret
Glenbrook Cottages HOA	Silver Saver Mart, Inc.
Health Strategies, Inc.	Sundance Surveying, Inc.
Home Away From Home	

**NRNSIG** members who wish to register a negative vote on a new group member, please write NRNSIG at 810 E. Fifth Street, Suite A, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.

#### **Membership Information**

Find out more about RAN's self insured group.

Call Willie Kerschner, 775-720-8125,

or the RAN office at 775-882-1700

(Toll-free in Nevada – 800-690-5959).

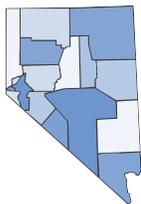
Don't forget to check out our website, [www.RANNV.org](http://www.RANNV.org).

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## ***In the Aid of Empathy***

*Knowing Customer Emotions as They Buy Helps Salespeople Become Empathetic*

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**E**mpathy is a terrific asset for salespeople. It helps them sense the needs of customers and helps customers gain trust and confidence in the salesperson. It's something that sales managers try to train their people to do, and it's something they look for when they hire new people.

Philip Trocchia, from the University of South Florida, explored the inner thinking and feeling of customers in the process of making purchases. He found information to help salespeople look for qualities that can help them sell.

Trocchia interviewed people about their car-buying experiences. Nearly everyone buys a car, and people remember what they felt and what they did. Trocchia believed that recalling these experiences would give him an insight into car buying, and he also believed he would gain an insight into the process of making purchases in general.

Trocchia interviewed people choosing them at random in a nearby shopping mall and kept interviewing until he stopped hearing anything new. He wasn't interested in learning the percentage of people who felt one way or another. He wanted to gain the full breadth of experiencing. Here are the best of his findings.

Trocchia found that most customers care what the salesperson thinks of them. They care a lot. They want to sense that the salesperson likes them and respects them. Often, they care enough that they are willing to "cave in" to the offer a salesperson makes in order to avoid appearing cheap or mean spirited. This strong desire helps explain why supportive and complimentary comments from salespeople are so often remembered and appreciated.

Customers want the salesperson to get a fair deal. They want their purchases to benefit the salesperson. For example, most customers would not be pleased if a salesperson offered to give up his/her commission in order to make an item more affordable.

Customers feel obligated to give the salesperson a sale if this person has invested time in helping them. This is why hovering is such an objectionable practice. It creates an

unwanted obligation to buy.

The presence of salespeople nearby as people shop exerts an unwanted pressure, and customers often feel a need to lie as a defense against it. For example, they often say they don't really need a particular item, or that they can't afford it, or that they're "just looking," when, in fact, they do need it, they can afford it, and they aren't "just looking." The "just looking" comment is supposed to lower the expectations of salespeople so they won't hover and exert unwanted pressure.

If a purchase goes smoothly, then customers often feel they could have done better somewhere else. This is part of the well-known buyer's regret salespeople are warned to avoid.

Customers often bring an audience. They come in pairs or small groups, and when this happens, they often follow scripts. One person may be the disinterested person who coaches the salesperson to cave in if he/she wants to close the sale. Another person may be the naysayer who finds fault with every choice.

The topic of scripts for customer audiences is a large one, and Trocchia did not explore it, but he did warn his readers from calling attention to it in actual sales situations. He gave the example reported by one person of a car-buying experience with a tag-along husband who found fault with every choice. The salesperson remarked humorously that he must be the "bad cop," but his comment took the customers by surprise, and they walked out and never returned.

Customers often distrust salespeople. Customers know that salespeople are better at selling than they are at buying, and they fear that they will be victimized by a salesperson who will disregard their needs and convince them to buy a product they don't need. However, when customers do come to trust a salesperson, it is because the salesperson has demonstrated great expertise in their product.

Professor Trocchia has given us a window into the thinking and feeling of the customers our salespeople encounter. We can use this knowledge to help our people gain the trust of customers and avoid driving them away.

*Reference: Trocchia, Philip J., Caving. "Role Playing, and Staying Home: Shopper Coping Strategies in a Negotiated Pricing Environment." **Psychology & Marketing**, 21 (10), 823-853.*

*C 2005 Management Resources*

# Capital Watch



## **Legislature Addressing Property Tax Increases**

**By Paul Enos**

**Manager of Government Affairs, RAN**

With property taxes skyrocketing in both Clark County and certain areas of Northwestern Nevada, the issue is looming large over the 2005 Legislative Session.

Numerous public hearings have been held in both Carson City and Las Vegas to assist the legislature in coming up with a solution.

Many solutions have been offered

including: capping the increases in assessed value at anywhere from 2- to 6-percent each year to prevent double- and triple-digit increases, freezing assessed value, exempting the first \$50,000 of assessed value, and lowering the assessment ratio that is currently at 35 percent.

For more in-depth information on this issue, please refer to the February 2005 issue of Tax Topics that is produced by the Nevada Taxpayers Association. It can be found on their website at [www.nevadatxpayers.org](http://www.nevadatxpayers.org).

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### **Retail Association of Nevada**

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# Nevada News

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