



Nevada News

Serving the Retail Community Since 1969

August 2004



Nevada Taxpayers Association Action on "Axe the Tax" Referendum Petition

By Liz MacMenamin
Director of Government Affairs

Front Page

*Check Out "Axe The Tax"
Referendum Petition

Seen & Noted – 2

*Secret Witness Program Celebrates
25th Anniversary
*National Guard Employer Rules

Featured Member – 3

*American Housekeeping of
Northern Nevada Gives White
Glove Treatment

Government Affairs – 4, 5 & 6

*NTA Analysis of "Axe the Tax"
*Rising Property Taxes Gets Attention
*Rule Deadline for Gaming Areas
in Stores
*Medicaid Preferred Drug List
Released

Seminars – 7

News Briefs – 8 & 9

*Nevada Wage & Hour Regs
*Customer Satisfaction Down
*ADA Suits Allowed Against State
*DEA Clarifies OTC Rules

Self Insured Page – 10

Larsen Column – 11

*An Antidote for Job Stress

Washington Watch – 12

*Small Business Health Care RX

The Nevada Taxpayers Association (NTA) has announced that they will file a lawsuit to challenge the constitutionality of the "Axe the Tax" referendum. This filing is contingent upon certification by the Secretary of State that the petition has met the requirement of having sufficient valid signatures. The NTA has been in contact with Thomas "Spike" Wilson of the McDonald, Crannog, Wilson law firm regarding filing of the suit.

Accompanying this article is an explanation of the ramifications of this referendum given by Carole Vilardo, president of the Nevada Taxpayers Association. We would ask that you review the possible ramifications that this referendum may have on the business community and any future legislative action. The Retail Association of Nevada (RAN) has not taken an official position at this time but will present this opinion to the board at the annual meeting for further consideration at the association level. However, we would suggest that, as an individual business, you might want to consider contacting Carole Vilardo regarding support of this lawsuit.

There are rumors that should this referendum pass, we will all be back at the table this next legislative session discussing more onerous taxes instead

of having the ability to reduce the impact of the taxes that were passed last session. If this referendum fails, the current taxes will be in place and cannot be changed unless it is brought to a vote of the people. We would like the opportunity to revisit the payroll tax this next legislative session and look at applying this to the base payroll instead of the gross payroll, but the Axe the Tax referendum would not allow this discussion to move forward. This is not to state that we believe the voters' voices should not be heard, but that this issue is one that can and will be worked on this upcoming legislative session.

The U.S. District Court has thrown out the Nevada constitutional requirement that statutory and constitutional initiatives must qualify in 13 of the state's 17 counties. This appears to mean that the counties must recount the petitions to allow adults to possess an ounce of marijuana and to prohibit public employees from serving in the legislature. The Secretary of State's office is currently conducting a "hand count" of all the signatures on the Axe the Tax initiative's signatures, and there is a chance that there will not be enough time for them to complete this count in the time frame given. Because of that,

Seen & Noted

Secret Witness Program Celebrates 25 Years

The Secret Witness program of northern Nevada is 25 years old and still going strong.

Don Richter, a Reno businessman, took the lead in 1979 to create the Secret Witness program. He was disturbed by the abduction of 6-year-old Lisa Bonham and says, "We started this because there were too many unsolved crimes in northern Nevada. This community has been good to me and my family, and we should pay our dues for that, and that means getting involved."

Secret Witness is a non-profit, volunteer program that relies on the financial support of local businesses and residents. Each sponsor pledges a "not-to-exceed" amount. At the end of each year, total reward dollars paid out is divided among the sponsors based on the pledge level. Most sponsors pay less than \$300 annually.

Rewards are offered for information leading to the arrest and conviction of criminals. Secret Witness callers remain anonymous and receive a cash reward in exchange for the information they provide. Although more than \$100,000 has been paid out, only 20 percent of those who are eligible for rewards take the money. More than 700 people have been arrested as a result of information provided by callers.

The program averages more than 200 calls per month. Sgt. Keith Brown, of the Reno Police Department, says, "Witness information is an enormous help in solving crimes. We only wish more people would step forward."

Secret Witness is an evolving program and now offers services such as multi-lingual tip line operators, a special program to crack down on tagging and graffiti and middle and high school programs that pay rewards for tips about drugs and weapons on campus.

The Secret Witness hotline is 775-322-4900. For more information, visit www.secretwitness.com.

Rules for Employers with National Guard Employees

Employers who have employees who are members of the National Guard must obey by the rules set forth by Nevada law. Specifics are provided by the following statutes:

- **NRS 412.139: Unlawful termination of employment of member of National Guard because of active service or duty.**
 - 1) An employer may not terminate the employment of a member of the Nevada National Guard because the member is ordered to active service or duty pursuant to NRS 412.122 or 412.124.
 - 2) Any employer who violates subsection 1 is guilty of a misdemeanor.
- **NRS 412.1393: Unlawful termination of employment—Hearing:**
 1. Any member of the Nevada National guard who believes his employment was terminated in violation of NRS 412.139 may, within 60 days after receiving a notice of termination, request a hearing before the labor commissioner to determine if this employment was so terminated.
 2. The office shall supply the member with all forms needed to request such a hearing. The labor commissioner shall conduct the hearing in the manner provided in NRS 607.205 to 607.220, inclusive.
- **NRS 412.1395: Unlawful termination of employment, reinstatement; wages and benefits.**
 1. If the employment of a member of the Nevada National Guard is found to have been terminated as a result of the member being ordered to active service or duty pursuant to NRS 412.122 or 412.124, the member is entitled to be immediately reinstated to his position without loss of seniority or benefits, and to receive all wages and benefits lost as a result of the termination.

Call American Housekeeping and Leave the Cleaning to Them

Therese Fernandez, president and part owner of American Housekeeping of Northern Nevada, started in this business at the ground level—cleaning houses. The New York native, who moved to the Truckee Meadows in 1990 from Hayward, CA, says, “I was cleaning my own house every day and thought I might as well be paid for it.” Little did she know then that in a short while she would become a small business owner.

Within eight months of working in the field, Therese was asked to put down the mop and bucket and join the office staff. It was just a few years after that, in 1993, that she was asked to be a partner. She’s been at the helm ever since and has helped the business grow from about six employees in the field to about 48. (Housekeepers work in teams of three.) Between the field and office staff, the company employs about 55 people.

The business has offices in Reno and in Carson City and covers a wide territory from the Truckee Meadows to the Carson City, Minden and Gardnerville area.

The company has a reputation of performing what it promises, which is the White Glove Service®. Established in the Reno area in 1989, American Housekeeping has grown through word of mouth and has grown despite the economy’s downturn after



Therese Fernandez, President and Part Owner of American Housekeeping of Northern Nevada

September 11.

Therese shares the same problem that many business owners say is their biggest problem—finding and keeping good employees. And she says that employee turnover is one of the big factors keeping the company from growing even more.

“This is not the kind of job you can bide your time in,” Therese says. “You really have to like housekeeping.” Therese understands what the work is and what it demands from an employee, and the company has a number of incentives from promotions to added time off, holiday pay and higher salaries to keep employees.

So the business can keep its promise to its customers, employees are scrutinized and the company is fully licensed and bonded. All

housekeepers wear the company uniform and carry a photo ID badge. They also drive company vehicles, those familiar little station wagons with the red, white and blue logo on them declaring American Housekeeping of Northern Nevada. And they show up on time as scheduled and are generally out of the house within an hour

having performed their “standard” white glove service, which includes everything from thoroughly vacuuming and dusting the house to cleaning baseboards and feather dusting the blinds.

Therese says most clients sign up for a weekly, bi-weekly or monthly cleanings, but the company does offer special cleaning services, such as holiday and wedding one-day service. They also get calls from people moving in or out, especially in the summer months, she says.

Want to give yourself the “gift of time,” as the company’s brochure says? Then give American Housekeeping of Northern Nevada a call, 826-0899 in the Reno/Sparks area, or 887-0450 in the Carson City/Minden/Gardnerville area. Call Therese for pricing information and trust her and her staff to fulfill the company motto, “We’ll be there!”

Axe the Tax Referendum

continued from page 1

the Nevada Taxpayers Association is moving forward with the lawsuit and is requesting that anyone interested in signing on to this suit should contact them directly.

Please take the time to read the referendum information I've included in this newsletter, and either contact Carole Vilardo (775-882-2697, northern Nevada, 702-457-8442, southern Nevada, or info@nevadataxpayers.org) or the RAN office, 775-882-1700, if you have any questions or need any further information.

Other Examples of Tax Law Referenced in the Petition

Sections 1 - 128

1-12	Modified Business Tax – Financial Institutions
1-10.5	Excise Tax on Banks (Bank Branch Tax)
22.3-22.5	Cigarette Tax
39-63	Modified Business Tax
64-100	Live Entertainment Tax
101-108	Business License Fee
109-117	Conforming Language
119-119.5	MBT Abatement
120-122	Annual Business License Fee
122.1-122.2	Liquor Tax
122.3-122.5	Cigarette Tax
123-128	Real Property Tax

Sections 130 – 164.38

130-140	Revises Real Property Transfer Tax exemptions
141-153	Conforming Language
154-160	Creates Legislative Committee on Taxation, Public Revenue and Tax Policy
161-164	Conforming Language
164.10-164.34	Disaster relief fund made subaccount of Rainy Day Fund
164.38	Establishes \$25 return check fee

Other Examples continued on page 5

Axe the Tax Analysis

Following is an analysis of the “Axe the Tax” referendum prepared by Carole Vilardo, President of the Nevada Taxpayers Association.

As you are by now aware, the [Nevada Taxpayers] Association’s Board of Directors has approved the filing of a law suit on Constitutional grounds if the “Axe the Tax” referendum petition is certified by the Secretary of State. This action by the Board was not taken lightly. It reflects the Board’s concern that whatever action the voters take, approval or disapproval of the question, it is a lose-lose situation. The purpose of this memo is twofold:

–**First**, to provide an example of the consequences should this repeal question appear on the November ballot.

–**Second**, to ask if you as an individual, business or trade group or organization are willing to join us in the lawsuit by providing financial assistance and being named as a plaintiff/petitioner. Please contact NTA at 775-882-2697 in northern Nevada and 702-457-8442 in southern Nevada.

What the Referendum Petition Says

“Pursuant to the provisions of Article XIX of the Constitution of the State of Nevada, which provides that any statute or resolution or part thereof enacted by the legislature may be submitted to a vote of the people, we, the undersigned voters of the State of Nevada, do hereby petition that the below designated sections of that statute enacted by the Nevada Legislature known as Chapter 5, Statutes of Nevada 2003, 20th Special Session (also known as Senate Bill 8) be submitted to a vote of the people for their approval or disapproval. The designated sections to be voted upon by the people are: Sections 1-128, Sections 130 through 164.38, Sections 166.5 through 188.3, Sections 188.7 through 189, Sections 190 through 192.5.”

“The full text of the measure proposed is: Shall the following sections of chapter 5, Statutes of Nevada 2003, 20th Special Session, be repealed: Sections 1 - 128, Sections 130 through 164.38, Sections 166.5 through 188.3, Sections 188.7 through 189, Sections 190 through 192.5.” (Emphasis added.)

What the Referendum Petition Does

This referendum seeks to repeal the taxes, which were imposed by SB 8 during the second (20th) Special Session of 2003. However, the petition does considerably more than that. Unfortunately, given the wording of the petition there is no way that signers could know that. For instance, **the petition** repeals some of the sections of SB 8 that decrease spending and **effectively increases spending by some \$27 million dollars**. Please see “Other Examples” on this page and page 5 for a summary of the sections that are identified in the petition for repeal.

The Consequences

If the voters support repealing the taxes:

If voters repeal the taxes, there will undoubtedly be a repeat of the discussions that consumed the sessions of 2003 about what taxes and at what level these tax measures should be enacted. (While it is not believed a special session will be called, it is an option.)

Axe the Tax Analysis

continued from page 4

Additionally:

The collection of the modified business tax (MBT) on general business and financial institutions, the bank branch tax, live entertainment tax, annual business registration and the state portion of the real property transfer tax will cease upon the canvas of votes (November 23).

- The business license tax (a.k.a. head tax) and casino entertainment tax will again be effective.
- The increases in the cigarette tax, liquor tax, gaming tax and business registration (one-time) fee will revert to the rates in effect prior to the passage of SB 8.

If the voters reject repealing the taxes:

If the voters do not agree to repeal the taxes, the taxes will be permanently enshrined in statute along with the other provisions listed in the petition. In this instance, all future changes would have to go before the voters. While this might appeal to some, the reality is that the ability of Legislators to legislate is greatly diminished. **Future Legislatures would not even be able to reduce the rate of any of the taxes identified in the petition without a vote of the people.**

Further, given the number of sections in statute that are impacted, explaining the need for changes to some of these sections of statute will be difficult at best and could result in numerous questions appearing on future general election ballots.

For example:

- The annual business license fee of \$100 is required to be paid by an individual who has only one rental unit. The voters would have to be asked to make the change so this requirement conforms to other provisions in statute that require an individual to have 4 or more rental units.
- The modified business tax requires a clarification so that an individual who hires help (such as an invalid who needs round the clock care) and pays the unemployment tax on the person(s) hired is exempt from paying the tax. The voters would have to approve this change.
- The live entertainment tax needs clarifications with regards to "casual performers/entertainers" so that a business that hires these performers to provide background ambience are not subject to the LET. The voters would have to approve this change.

On August 24, 2004, the Legislative Committee on Taxes, Revenue and Tax Policy will take up the above proposed changes and 22 additional changes so that compliance and administration of these taxes is simplified. These are just some of the changes that would have to appear on the ballot in the future.

Please see "**Other Examples**" on pages 4 and 5 for further explanation of some of the affected taxes.

Other Examples

continued from page 4

Sections 166.5 – 188.3

- 166.5 Creates the emergency assistance account as a subaccount within the disaster relief account
- 167 Conforming Language

Other Examples

continued from column 1

- 168-169 Increases gross gaming tax
- 170 Increases restricted slot tax
- 171-173.5 Live Entertainment Tax - Gaming
- 173.7-183 Conforming Language
- 183.5 Reduces MBT to 0.65%
- 184 Late Penalty Fee on Business License
- 185.1* Reduces Medicaid appropriation \$3.080 million and TANF \$6.732 million
- 185.3* Provides contingency appropriation (if needed) for TANF of \$9.812 million
- 185.5* Clarifying Language
- 185.7* Reduces the FY 2005 appropriation for implementing the new taxes (primarily the department of taxation computer system) \$5 million
- 185.9* Eliminates the appropriation of \$30 million to the Budget Stabilization Fund
- 186 Repealers for Business License Tax and Casino Entertainment Tax and two exemptions in Real Property Transfer Tax
- 187 Clarifying Language
- 188 Increases the percentage that may be placed in the Budget Stabilization Fund for FY 2004 and FY 2005
- 188.3 Creates a Fund for Tax Accountability for the purpose of allowing a reduction of the rate or amount of a tax or fee

* Adjustments to bills approved during the 72nd Regular Session

Sections 188.7 – 189

- 188.7 Creates pilot program for Program Budgeting for substance abuse programs
- 189 Allows an appropriation of up to \$100,000 for the Legislative Committee on Taxation, Public Revenue and Tax Policy

Sections 190 – 192.5

- 190-191 Clarifying Language
- 192 Provides for areas of study by Leg. Committee on Taxation, Public Revenue and Tax Policy
- 192.5 Report by Tax Commission to the Legislative Committee

Legislators and Assessor Call for Solution to Rising Property Taxes

By Paul Enos

Manager of Government Affairs

With property taxes rising rapidly, Clark County Assessor Mark Schofield, with endorsements by legislators of both parties, has called for a plan to cap property taxes increases at 6 percent.

This year, Clark County property tax bills increased on average of 8 percent. The cap is meant to stave off a tax revolt caused by increases in property tax bills for next year, which in Clark County and areas of Western Nevada are expected to increase between 20 to 50 percent.

Schofield and several legislators asked the Governor to call for a special session to address the property tax cap stating that local governments need to be able to plan for a decrease in revenues if taxes are capped. The Governor has decided against calling a special session and has assurances from leadership in both parties that they can address this issue early in the 2005 Legislative session before the tax bills are mailed.

Earlier this year, Assemblywoman Sharron Angle and Assemblyman Don Gustavson circulated an initiative petition called the Angle Gustavson Property Tax Initiative. The initiative would have rolled the taxable value back to the amount the property was assessed at in fiscal year 2001-2002, and then cap any future increase at the lesser value of 2 percent or the Consumer Price Index. The initiative failed to collect the requisite number of signatures to appear on November's ballot.

The 6 percent cap proposal differs from California's Proposition 13 in that it does not treat one property differently than another based on the date it was purchased. Schofield's proposal states that property tax will

be assessed at the actual value of the property or at no more than 6 percent, whichever is less. If the property is improved or the land use changed, then the value of the land would be reassessed and from that year forward, assessed at the lesser of actual value or 6 percent. This proposal could be implemented during the 2005 legislative session and would not require a constitutional amendment.

Stores Have Until Jan. 1, 2007, to Remodel Gaming Areas

By Paul Enos

Manager of Government Affairs

Owners of stores larger than 10,000 square feet who allow smoking in their gaming areas have until Jan. 1, 2007, to remodel their stores to be in compliance with state law. The law, NRS 202.24915, deals with stores principally devoted to selling food for human consumption and does not impact the smaller convenience stores with gaming areas.

The referenced law states that an

[Remodel Gaming Areas continued on page 7](#)

Nevada Medicaid Preferred Drug List Update

By Dawn Daly

Provider Relations Clinical Representative
First Health Services

On July 14, 2004, the Nevada Pharmacy and Therapeutics Committee selected drugs for the Fee-For-Service Medicaid Preferred Drug List (PDL). Due to time constraints, action on three therapeutic classes was deferred until the August 12 meeting. An updated PDL will be mailed to providers following the August 12 meeting, and updates will be posted at the First Health Services website at <http://nevada.fhsc.com> under the "Pharmacy" tab.

The PDL program will become operational on August 17th when "soft edits," i.e., informational messages, will be communicated to the pharmacist. The first phase of "hard edits," i.e., denials for non-preferred drugs, will begin August 25th. The specific prior authorization fax request form for non-preferred drugs/agents is available at <http://nevada.fhsc.com>.

The July 14th session of the Nevada Pharmacy and Therapeutics Committee determined the following:

- ❖ Patients receiving hepatitis C agents or Coreg® will be grandfathered in for one year. New prescriptions for Coreg® will bypass the prior authorization process if the prescriber writes the ICD-9 code 428.0 on the prescription. By entering this code in the diagnosis field, the pharmacy can bypass the prior authorization requirement. This is the same process pharmacies currently use for cancer patients receiving Oxycontin®.
- ❖ Proton pump inhibitors will not require a change to a preferred agent until the current clinical prior authorization expires.

First Health Services Provider Relations Clinical Representatives are available for both group and individual education related to the Preferred Drug List. Pharmacies and prescribers may call 775-784-3906 to schedule an appointment.

The World Comes to Chicago for Home Show

European design companies will make their way to Chicago in March for the 2005 International Home and Housewares Show, (IHHS) emphasizing the nature of the global marketplace.

The 2005 gathering features more than 2,000 exhibitors from around the world and the United States to introduce the latest in products for the home. The nesting instinct is alive and well, and the show in Chicago will introduce attendees to all that's wonderful to buy and sell.

European designers already registered for the show include Cloer, Kuchenprofi, Axa International Limited and Staub USA, all from Germany; and Dubost Colas Pradel and Peugeot of France; and Fratelli Re S.p.A. of Italy. U.S. exhibitors registered include Capresso, Inc., Zak Designs, Burnes Group and Mirro/Wearever.

Exhibitors will display products for every room inside the house and out. Gourmet specialty foods and outdoor living products will be on display.

New to the show in 2004 and returning in 2005 is Gourmet Home & Food District, which features gourmet and specialty foods and products. The *Patio Park, Outdoor Living, Styled* will show how indoor style moves outdoors. The show also features a student tabletop design contest, *Uptown, Tabletop, Styled*. Look for all these exhibitors in the "show-within-a-show" expo, *Dine & Design, Clean & Contain, Wired & Well* and *Patio Park*.

The International Housewares Association (IHA) show is still accepting exhibitor applications for the show scheduled for March 20 - 22, 2005. To request information about exhibiting or to find out more about the show and registration, go to www.housewares.org.

The 66-year-old IHA is a nonprofit, full-service association. It offers its member companies services including industry and government advocacy, export assistance, state-of-the-industry reports, point-of-sale and consumer purchase data through Housewares MarketWatch, executive management peer groups, a web-based community at www.housewares.org and group buying discount on business solutions services.

Remodel Gaming Areas

continued from page 6

area where smoking is allowed must be segregated from other public areas of the store by two or more walls or partial walls that include at least one corner. The area must also contain a method of ventilation that substantially removes smoke from the area.

If a store remodels more than 25 percent of its public area, then it is required to segregate and ventilate at that time. However, the impact of this law could be moot by the time the law goes into effect. Anti-smoking zealots have been circulating the Nevada Clean Indoor Act petition around the

state, which would prohibit smoking in all public areas including non-gaming areas of casinos and bars where they prepare and serve food. If the petitioners are successful, the law would go into effect 10 days after voters pass the initiative.

RAN Annual Board Meeting

The RAN Annual Board Meeting is scheduled for Wednesday, Sept. 15, 2004. Call the office, 775-882-1700, for information.

• Seminars •

October – 2004

NRF Shop.org Annual Summit

October 6 - 8, 2004

Anaheim, CA

Contact: 800-673-4692

FMI & IFDA Productivity Conference & Expo

October 17 - 19, 2004

Dallas, TX

Contact: 703-532-9400

NACDS 2004 Fall Conference

October 17 - 19, 2004

Bonita Springs, FL

Contact: 703-549-3001

NACS Show 2004

October 17 - 20, 2004

Las Vegas, NV

Contact: 703-684-3600

CGA Western Food Industry Exposition

October 24 - 26, 2004

Las Vegas, NV

Contact: 800-794-3545 or email to expo@cagrocers.com

January 2005

NRF 2005 – Retail's BIG SHOW

January 16 - 19, 2005

New York, NY

Contact: 800-673-4692 or

202-626-8194

NACDS Regional Chain Conference

January 27 - 30, 2005

Naples, FL

Contact: 703-549-3001

March 2005

IHA International Home & Housewares Show

March 20 - 22, 2005

Chicago, IL

Contact: [http://](http://www.housewares.org/ihshow)

www.housewares.org/ihshow

Abbreviations

CGA • California Grocers Association

FMI • Food Marketing Institute

IFDA • International Foodservice

Distributors Association

IHA • International Housewares Assn.

NACS • Nat'l Assn. of Convenience Stores

NRF • National Retail Federation

New Wage & Hour Regs Help Employees

Can you use debit cards to pay your employees? What can you withhold from an employee's check? Terry Johnson, labor commissioner for the state of Nevada, says these and a deluge of other questions like them prompted him to issue the state's first wage and hour regulations.

Indeed, confusion generated by state wage and hour laws has resulted in a clear set of rules that affect all employers and employees in the state. They go into effect on Aug. 25, this year.

Johnson hopes to clear up confusion by providing pertinent details of the law. Payday cards, or debit cards that are issued to employees rather than the traditional paper paycheck, have generated a good deal of confusion. Despite that, Johnson says he's keeping the payroll debit cards because of the many conveniences they offer both employers and employees. For instance, an employee can use the debit pay card to get cash from an ATM machine or even buy from a retail outlet.

Other issues covered in the new regulations include information about commissions, travel, training, uniforms, work breaks, independent contractors, legal and illegal deductions from employee wages and differences in salaried and hourly wage payments.

To read the entire document, go to www.laborcommissioner.com where you can download a PDF version of the wage and hour regulations.

Customers Not So Happy Ten Years Later

H. J. Heinz company wins in the latest survey for customer satisfaction. According to the American Customer Satisfaction Index (ACSI), the group that sets the standard for measuring how customers feel about the products they buy and the companies they buy from, Heinz, which makes products like ketchup and pork and beans, received the highest rating for customer satisfaction. Its rating of 90 was up one point, 89, from 10 years ago.

Heinz gets the good news. The bad news is, apparently, that bargain basement prices don't create happy customers.

Though many companies are selling products at the lowest prices ever, the ACSI scores suggest that though customers will hunt for the best price, and maybe even buy, that visit may be the last one from that customer.

ACSI surveys cover over 200 companies in 40 industries including retail, manufacturing durables and non-durables, finance/insurance, transportation/communications/utilities, services and more. Those surveyed are first identified as customers of the companies surveyed. ACSI uses random-digit-dial probability samples, establishes that the customer has had a recent relationship with the company, and proceeds from there. The final results, which are published quarterly, are based on about 65,000 interviews, with about 250 interviews completed per company/agency.

Scores for most companies have dropped since 1994, the year ACSI started doing the surveys. Hewlett-Packard scored a 78 in 1994. The latest survey finds them at 70. (Scores are based on a scale of 0 to 100.)

The overall consumer satisfaction rating in 1994 was 74.8. That's down to 74.4 in the latest survey. Other company scores include: airline industry, from 72 to 66; telecommunications from 81 to 71; and personal computers from 78 to 72.

Customer satisfaction may seem elusive, but companies that have it share some seemingly common likenesses. They continue to offer products that consumers feel they can trust and rely on; when a customer has a problem, the problem is dealt with efficiently and politely (and if the customer must phone rather than meet face-to-face to resolve a problem, the person on the other end of the line is just that, a person who speaks English, clearly, and not an endless listing of numbers); and they surprise customers—often simply because they offer "old-fashioned" service.

DEA Offers Help to Prevent Pharmacy Theft

A spike in thefts and robberies against pharmacies has spurred the Drug Enforcement Agency's Office of Diversion Control to implement the Pharmacy Theft Prevention Program.

The program will provide education and increased communication to pharmacists and pharmacy staff and will provide a means to maximize the use of limited resources available to law enforcement to minimize and eliminate pharmacy thefts. The program includes collaboration with and participation from law enforcement, regulators including state pharmacy boards, state and federal prosecutors, and the public along with the pharmacy community.

For more information, call DEA Headquarters, Office of Diversion Control, Liaison and Policy Section at 202-307-7297.

ADA Wins – Supreme Court Narrowly Defines When States Can Be Sued

In a 5-to-4 decision, the U.S. Supreme Court ruled in favor of six disabled Tennessee residents who sued the state over access to a courtroom. One of the men was charged with failing to appear for a criminal traffic court hearing. He had refused to be carried or crawl to the hearing being held on the second floor of the courthouse.

States have tried to claim immunity from lawsuits filed under federal legislation such as the American with Disabilities Act (ADA). This decision didn't open that door to such lawsuits, but instead focused narrowly on the specific context of this case.

Access is a central issue for the ADA. In May, the U.S. Architectural and Transportation Barriers Compliance Board, commonly known as the Access Board, called for the formation of an advisory committee that will gather information and advise the board on issues related to accessibility of courthouses, particularly courtrooms, including best practices, design solutions, promotion of accessible features and educational opportunities. The goal is to determine how to help those affected best achieve compliance with access guidelines.

The Access Board has also issued updated requirements of the ADA Accessibility Guidelines (ADAAG), which cover building construction and alteration of existing buildings in the private and public sectors. "These guidelines are our guarantee that when a building is built or renovated anywhere in the nation, its doors are wide open to our citizens with disabilities," says Jan Tuck, vice chair of the board, in a published statement.

The board has established new design standards that affect building elements and spaces such as entrances, ramps, parking, restrooms, public telephones, employee work areas and drinking fountains, and guidelines for reaching ranges for gasoline pumps and ATMs, including audible requirements. According to the Food Marketing Institute, there are exemptions for checkout counters, stock rooms, pharmacies, kitchens and other store areas where customers are not allowed.

The requirements take effect on Sept. 21, 2004. Find the new requirements at <http://www.access-board.gov>.

Find Out About Best Buy's Tech Awards to Schools

Best Buy Co., Inc. is seeking applications for its te@ch program. The program awards \$2,500 to 1,200 schools across the U.S. that make learning fun by creatively integrating technology into the school curriculum. All accredited, nonprofit, K-12 schools located within 25 miles of a Best Buy store are eligible.

Applications must be to the company by October 1. They are reviewed and selected on a first received, first reviewed basis. Awards will be posted in mid-January.

To find applications and more information, go to www.BestBuy.com and click on the Community Relations tab at the bottom of the page. The te@ch program is funded by Best Buy and operated by the Best Buy Children's Foundation.

DEA Clarifies OTC Drug Rules

The rules and regulations concerning sales of over-the-counter (OTC) pseudoephedrine and phenylpropanolamine haven't changed, says the Drug Enforcement Administration (DEA), but retailers are confused, so DEA has issued a clarification.

Sales transactions of ordinary OTC pseudoephedrine and phenylpropanolamine products ("safe harbor" products) are exempt from being regulated transactions as long as each transaction is below the 9-gram threshold to an individual for legitimate medical use. Retailers may not sell as much "safe harbor" pseudoephedrine and phenylpropanolamine to any person for any purpose as often as that person wishes to buy.

Retailers selling ordinary OTC pseudoephedrine and phenylpropanolamine products are exempt from registering with DEA as a distributor of List I chemicals and complying with record keeping and other regulatory requirements—as long as individual transactions for legitimate personal medical use remain below the 9-gram threshold (in packages of not more than 3 grams).

Legitimate veterinary uses of phenylpropanolamine still exist (though most products containing the drug were discontinued in November 2000). These products are still subject to existing DEA regulations.

For more information, go to www.DEAdiversion.usdoj.gov.

Source: Food & Drug Administration
National Pharmacy Compliance News

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• Membership in RAN Required •

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 July 2 to August 15, 2004, are listed below. For a complete member list, please call RAN at 775-882-1700. Please Note: Due to the many new members added each month to NRNSIG, we are unable to list all members on this page.

NRNSIG

Artic Circle of Elko
Buffalo's Southwest Cafe
Cave Creek Services
Delta RF Technology, Inc.
Desert Dental
Dunsmore Custom Marine, Inc.
E.A. Angelini, OD
Expert Transmissions, Inc.
Friends in Service Helping
Korner Store & Deli
La Fiesta Ely
Las Vegas Packing & Crating, Inc.

Laser World, Inc.
Mariana's Supermarkets #2
Peachtree City Foamcraft, Inc.
Physicians Choice HomeHealth
Care, Inc.
Reno Ornamental Iron
Ruby Radio Corporation
Scott Olds, MD, Ltd.
Superior Door & Window
The Reagan Home, Ltd.
Trinity Lutheran Church
Tropical Fiberglass Pools, LLC

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.

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R-A-N

An Antidote for Job Stress

New Research into Job Stress Reveals a Skill That Protects People from Suffering Strain

By James Larsen, Ph.D.

Can you think of someone you know who suffers from job stress? If so, you've probably noticed evidence of strain, like increased use of sick leave, chronic anxiety, or irritability. Have you ever wondered why many other people who experience the same job stress don't show similar signs of strain? After all, if job stress afflicts one person with negative symptoms, shouldn't it also afflict others?

Pamela Perrewe, from Florida State University, believes that people possess an ability to neutralize job stress. She believes that people who use this ability sense the same stressors everyone else feels, but these stressors don't have negative effects for them. She also believes this ability can be learned by people who currently don't use it and that people who suffer from symptoms of strain due to job stress can be helped by learning and practicing its component skills. The ability, which she feels offers this protective effect, is interpersonal effectiveness.

Professor Perrewe studied 230 Brazilian petroleum workers and their supervisors. She collected data on strain, including blood pressure, physical complaints, and chronic anxiety, and she also collected perceptions of interpersonal effectiveness. She gave people a list of six statements that described this skill and asked people to react to them with a similarity rating: "This statement does (or does not) describe me." The more they believed these statements described them, the higher their level of interpersonal effectiveness. Here are the six statements:

- 1) I find it easy to envision myself in the position of others.
- 2) I am able to make most people feel

comfortable and at ease around me.

- 3) It is easy for me to develop good rapport with most people.
- 4) I understand people well.
- 5) I am good at getting others to respond positively to me.
- 6) I usually try to find common ground with others.

As job stress increased, people who reported low levels of interpersonal effectiveness revealed rapidly rising symptoms of strain, including rising blood pressure, chronic anxiety, and physical complaints. People reporting high levels of interpersonal effectiveness had a much lower rise in symptoms of strain, and their blood pressure even fell.

For Ms. Perrewe, this was strong evidence to support her claim that interpersonal effectiveness neutralizes job stress. She explains the process this way:

When people are in a setting that is important for their well-being (like a job), they continually monitor their ability to function. As long as they feel confident that they can handle the demands placed on them, then job stress does not cause strain and symptoms don't appear. But when people lose this confidence and believe that the demands of a situation will tax or exceed their ability to cope with them, then job stress leads to the strain that causes troubling symptoms to emerge, e.g., high blood pressure.

When people believe they are skilled in interpersonal relationships, they view others as a source of support to help them in difficult circumstances. It is this confidence that interferes with the connection between stress and symptoms of strain. It neutralizes it, Perrewe says.

Interpersonal effectiveness can be

learned, and the statements listed above suggest ways to do so. Each



statement implies exercises. For example, the first statement involves knowledge of other people and imagination of their thoughts and feelings. Learning this skill would be helped by practicing it. The second involves hospitality, and learning appropriate rules for hospitality and adopting these practices should lead to increases in this skill.

Rapport can be developed by asking people questions that allow them to talk about themselves. Being known by another person builds rapport. Finding common ground with another person is a negotiation skill. Learning to get others to respond positively to you involves making requests in an appropriate way once the foundation has been prepared for a positive relationship, such as finding common ground between two parties.

Professor Perrewo believes that interpersonal skill is an antidote to the debilitating effects of job stress. If we can coach people who suffer from stress to improve this skill and to practice it, then their confidence should increase and their symptoms of strain should diminish. It's another way we can help.

Reference: Perrewo, Pamela, Kelly Zellars, Gerald Ferris, Ana Rossi, Charles Kacmar, and David Ralston (2004) "Neutralizing Job Stressors: Political Skill as an Antidote to the Dysfunctional Consequences of Role Conflict." *Academy of Management Journal*, 47 (1), 141-152.

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Washington Watch



Small Businesses Get Help With Health Care for Employees

—U.S. Senator Harry Reid (D) has proposed the Healthy Employees, Healthy Small Business Act of 2004 (HEHSB), which would help businesses with fewer than 50 employees to offer health insurance plans for their employees. The HEHSB would establish a new federal refundable tax credit to reimburse small employers for part of the cost of providing health insurance coverage to their employees.

Under the plan, businesses will be offered a tax credit determined on a sliding scale and adjusted for inflation. The greatest tax relief would go to the smallest companies. For instance,

a company with fewer than 10 employees would be eligible to claim 50 percent of the cost of each eligible employee's policy, up to a limit of \$1,500 for a self-only policy and \$3,400 for a family policy. Employees who work at least 400 hours and earn \$5,000 would be eligible, but not if the employee is eligible for any other publicly sponsored health insurance program, including Medicare and Medicaid. The employer would have to pay at least 75 percent of the total cost of the health insurance premium to claim the tax credit. For more information, contact Senator Reid at <http://reid.senate.gov/> or 775-686-5750.

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