



RAN

Retail Association of Nevada

APRIL 2013

LOOKING OUT FOR BUSINESS

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NEVADA NEWS

SPOTLIGHT ON THE SENATE HEALTH AND HUMAN RESOURCES COMMITTEE AND THE ASSEMBLY HEALTH AND HUMAN SERVICES COMMITTEE

(Editor's note: During the Legislative Session, the RAN Newsletter will take a look at those committees that hear and process the bills that affect the RAN membership.

By looking back, it's possible to also look forward.)

WHICH COMMITTEES EXIST AND HOW THEY'RE

named is often the decision of leadership in each house. Many times, Senate committees, with the same purpose, will have different names than the Assembly. Sometimes it's due to a smaller number of members in the Senate than the Assembly. Sometimes, leadership will have a particular issue of concern and they want to be certain to control the outcome of a bill. Therefore, they'll move the subject matter to a committee on which they sit.

In the beginning (1864) the closest the Legislature came to committees on health were the Public Morals Committees. There is little information on the issues covered by the Senate and Assembly Committees, but minutes from the California Public Morals Committee in 1867, showed a request for reimbursement for traveling to Nevada to meet with their

"like" committee. Both states were considering a ban on certain activities on Sundays. With prostitution being rampant in both states, one might guess that venereal disease was a concern. (Public Morals lasted until 1965 in the Senate, and 1967 in the Assembly where it was combined with Public Health. No minutes were kept. A reporter who covered the Legislature in 1961 and 1967 doesn't even remember the committee.)

In 1883, both houses had committees on the State Prison and Insane Asylum. The major concern appeared to be the costs. Exhibits for those years included the names of all patients in the state asylum.

In 1911, the Legislature created county Health officers. Major concerns were getting rid of pests that might spread disease and giving them power to quarantine people with communicable diseases (like measles). These laws were expanded in 1939 along with a few statues on

pharmaceuticals. But there were no committees on health.

The history of the health committees is a reflection of the concerns of the times. The names of the committees changed from Public Health to Health and Welfare to Health, Welfare and Institutions, to finally Health and Human Resources in the Senate and Health and Human Services in the Assembly. Many times, the Senate threw education into

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their health committee, and hospital oversight bounced from the health committees to Commerce, depending upon the issue and the mood of leadership. In the late 1970's and early 1980's, legalizing Gerovital was the big issue, along with the money spent on lobbying it. In 1987, preventing and limiting the spread of AIDS was a major concern.

And today?

"Clearly the Affordable Care Act (ACA) will be the major focus of the Health and Human Resources Committee," said Chairman Justin Jones (D-Clark). "We're fortunate to have Jon Hager heading it up. But getting it organized and ready to go must be accomplished this session."

Jones, a partner with the law firm of Holland and Hart, is a freshman. Although it's unusual for a freshman to chair a committee, he has impressed a number of people with his grasp of the issues and his ability to bring people together. He's greatly concerned about mental health and the shootings in Carson City and Sandy Hook. His bill, SB 221, requires universal background checks to purchase a gun and faster reporting of mental illness.

"I was a reporter on my high school newspaper," he said smiling, "and I used that experience to investigate the iHop shooting. That's how I found out that the guns were purchased and not taken from his brother as was originally reported."

His religious training coupled with his own innate sense of ethics led him to bring a bill (SB 203) requiring lobbyists to file quarterly reports, year-round, if money is spent on an elected official. The bill has passed the Senate and is in the Assembly.

He understands the needs of many small businesses since his brother-in-law owns a restaurant in Las Vegas.

"I don't believe in too much regulation," he said, "I think educating the public is preferable." ■



Senator Justin Jones, (center). Chairman of the Health and Human Resources Committee talking with constituents.

(Editor's Note: At the end of February, Chairwoman of the Assembly Health and Human Services Committee Marilyn Dondero Loop's office (D-AD 5 Clark) was approached about doing an interview. It was explained that the deadline was a month off. A few days later, the following email was received: "I told Assemblywoman Dondero Loop you wanted to interview her for a retail newsletter and she currently does not have the time to schedule the interview.")

LEGISLATURE DENIES PASSAGE OF MARGIN TAX; SENDS QUESTION TO 2014 BALLOT

By Bryan Wachter

THE TEACHERS' UNION INITIATIVE PETITION

seeks to create a tax on the marginal revenue of all businesses, except gaming revenue, at the rate of 2% after three allowable deductions are made. In a joint meeting of the Senate Revenue and Economic Development and Assembly Committee on Taxation the legislature heard from the proponents and the opposition to this more than

1.5 Billion dollar tax grab. The hearing was well attended by Nevada State Education Association (NSEA) members, other teachers, students, and supporters. Equally represented were the business communities that will have to pay, regardless of profit, this new and complicated tax.

The NSEA brought an expert from their Washington D.C. office and this expert attempted to walk through the bill trying to explain the many

complexities, all while claiming the tax was easy to administer, collect, and audit. When asked very specifically by Assemblywoman Dina Neal (D-Las Vegas) how the tax was calculated, neither the national expert nor the representative from the state association could provide an answer.

RAN took the lead in organizing the opposition to this tax during the hearing. Our witness list included representatives from community banks,

dairy farmers, auto-dealers and small service businesses. RAN testified that this is, in fact, a very complicated tax, as evidenced by the other side's inability to adequately explain how it was calculated. RAN also testified that the Nevada Legislature needs to make policy decisions and prioritize education spending, acknowledging that not everything everyone would like to do can be done in a sustainable manner. Our poll showed that class size



FIVE FOOD BILLS TO WATCH

By Lea Tauchen

DAIRY PRODUCT

DONATIONS: Senate Bill 80 proposes to update the statutes addressing the authority of the Dairy Commission. Of particular interest to the retail industry is Section 29, which allows retailers to donate or discount dairy products within 48 hours before midnight of the date of expiration printed on the item. In March, SB80 was heard before the Senate Committee on Health and Human Services. RAN testified in support of this provision. SB80 was passed out of the committee and out of the Senate unanimously. Next, it will be heard before the Assembly Committee on Health and Human Services.

COTTAGE FOOD

INDUSTRY: Senate Bill 206 proposes to exclude a "cottage food operation" from the definition of food establishment. This would allow an individual to manufacture or prepare food items in their private home and sell them without having to obtain a permit or comply with inspection requirements. Cottage food products include nuts,

candies, jams, jellies, vinegar, dry herbs, dried fruit, and baked goods like cakes, cookies, and pies. Cottage food products must be sold directly to the consumer. Sales cannot be conducted through the Internet or mail order. Additionally, cottage food items must be labeled as such. In March, SB206 was heard before the Senate Committee on Health and Human Services. RAN did not take a position. The committee did not take action on this bill.

FARM-TO-FORK: Assembly Bill 200 proposes to exclude a "farm-to-fork event" from the definition of food establishment. This would allow an event to be held on a farm with food prepared and provided for immediate consumption to paying guests without having to obtain a permit or comply with inspection requirements. At any farm-to-fork event, each guest would be required to read and sign a notice stating that they were informed that no health inspection was conducted on the farm or the food to be consumed. In March, AB

200 was heard before the Assembly Committee on Health and Human Services. RAN did not take a position. The committee did not take action on this bill.

RAW MILK: Assembly Bill 209 proposes to allow raw milk or raw milk products, that have been certified by the county milk commission of the county in which the raw milk is produced, to be sold anywhere in the state. Additionally, this bill would make state law consistent with federal law, prohibiting the interstate sale of unpasteurized milk and milk products. In March, AB209 was heard before the Assembly Committee on Health and Human Services. RAN did not take a position. The committee did not take action on this bill.

GENETICALLY ENGINEERED FOOD LABELING: Assembly Bill 330 proposes to deem genetically engineered food produced in Nevada as misbranded, unless it is labeled "Genetically Engineered" in a clear and conspicuous manner. For wrapped or packaged food,

a label must be attached to the wrapping or packaging. For bulk foods, a label must appear on the store shelf or bin in which the food is displayed. Exceptions are provided for food that is not packaged for retail sale, food prepared for immediate consumption, organic foods, animal products, medical food, beer, liquor, wine, and certain food that was not knowingly or intentionally produced with genetic engineering. Retailers are exempt from liability for not properly labeling a genetically engineered food, unless the retailer is also the producer of the food. In March, AB330 was heard before the Assembly Committee on Health and Human Services. RAN testified in opposition of the bill in its entirety. The committee did not take action.

As the status of these bills is still pending, an update will be provided as it becomes available. If you have questions or would like additional information, please contact Lea Tauchen at lea@rannv.org or (775) 882-1700. ■

MARGIN TAX Continued from page 2

reduction is important to Nevadans and, yes, resources should be spent to that end, not from new revenue but from shifting our expenditure focus from

other areas to class size reduction. RAN's testimony in opposition to the tax seemed to be met with understanding from the

committee members. No action was taken. Both houses had until March 16th to pass the petition and have it approved by the governor to become law. The

Legislature, by not acting on the bill, chose to move the union petition to the ballot in November of 2014. ■



BOARDS AND COMMISSIONS LEGISLATIVE UPDATE

By Liz MacMenamin

REGULATORY BODIES CAN HAVE A POWERFUL

impact on entities doing business in Nevada. Because of this RAN follows legislation that makes changes to these boards or commissions. The following legislation is being considered this session:

SB 203/AB190 requires each of the various licensing boards to forward to the appropriate law enforcement agency any substantiated information submitted to the boards concerning a person who, without the appropriate license or certificate, engages in or offers to engage in activity for which a license or certificate is required in Nevada. It also requires that any board, which forwards information to law enforcement, must also forward the information to any of the other boards that may be appropriate. RAN is neutral on this legislation but will continue to monitor and

update the members.

SB 220 provides that a person who engages in the unlicensed practice of certain professions is guilty of a category D felony and will authorize various licensing boards to serve a cease and desist order on persons who engage in the unlicensed practice of certain professions, or both. Section 110 of this bill also allows for the forfeiture of all personal property used by certain persons to engage in the unlicensed practice of certain professions. This language was discussed during the interim by the Health Care Committee to address the concerns of those that practice medicine without a license. RAN is neutral on this legislation and we will continue to monitor this bill and update the members.

AB251 will require a governmental entity to disclose the email address and/or telephone numbers of the members of certain public bodies if the

member has previously disclosed this information to the governmental entity. This bill states clearly that this information is a "public record" and as such, is subject to the laws pertaining to public records. The bill defines the term, "public body", to mean a body subject to Open Meeting Law, and then specifically includes the legislature and the Legislative Commission while excluding any court or other judicial or quasi-judicial body. No further action was taken

AB252 changes the requirements for promulgating administrative regulations. The agencies will now have to submit the notice of any meeting or workshop to the Director of the Legislative Counsel Bureau at the same time as the agency posts notice. If the agency has not adopted the regulation within two years of submitting the language to the Legislative Counsel Bureau, the regulation will be deemed

withdrawn. There are provisions in the language that will allow for extensions that subject to approval by the Legislative Counsel Bureau.

This bill also requires that the agency provide a statement of information regarding the regulation explaining the need for this language. The bill allows the Legislative Commission and the Subcommittee to Review Regulations to object and sets up guidance for such objections. If an objection is raised, under existing law, the regulation is returned to the agency. This law is retroactive to any regulation which has been proposed but not adopted before July 1, 2013.

The sponsor of this bill is Assemblyman Ira Hansen and the co-sponsor is Speaker Kirkpatrick. There was no further action on this bill. RAN will keep members updated on this language. ■

NUTRITION MENU LABELING *By Matt Long*

SECTION 4205 OF THE AFFORDABLE CARE ACT (ACA), PROVISIONS WERE

set forth to require restaurants and similar retail food establishments with 20 or more locations nationwide to provide certified nutritional information on their menus. The Federal Government sent this section to the Food and Drug Administration (FDA) to develop

the rules and regulations, however the regulations haven't been completed yet and early estimates for when we should expect those regulations are somewhere between 2014-2015.

Assembly Bill 126, sponsored by Assemblywoman Lucy Flores (D-LV), proposes to supersede the ACA by requiring restaurants, and "similar retail food establishments," with 10 or more locations in Nevada, to adhere to the future FDA

regulations.

"Similar food establishments" include grocery store delicatessens and bakeries, vending machine operators, convenience stores and many other retail operations. Since the proposed federal regulation is 20 locations nationwide, if passed, AB126 will place a costly mandate on small businesses, as Nevada will have the lowest location-threshold in the nation. Under the bill,

these small businesses will be required to perform nutrition testing on all menu items so that certain information can be published on menus, menu boards, and printed brochures.

This issue is still pending and an update will be provided as it becomes available. If you have questions or would like additional information, please contact Lea Tauchen at lea@rannv.org or (775) 882-1700. ■



FMI: MENU LABELING MUST EXCLUDE GROCERY STORES

By Roseanne Harper/FMI

THE FOOD MARKETING INSTITUTE (FMI) HAS

reinforced its position on calorie-count menu labeling — that the federal Food and Drug Administration’s menu labeling regulations should not extend to grocery stores.

At a press conference held near the Capitol, FMI underscored its support of a bill, H.R. 1249, known as “The Commonsense Nutrition Disclosure Act,” that was reintroduced in Congress. The bill, the same in substance, as one introduced in the last Congress, adopts Option 2 of FDA’s menu nutrition labeling proposal, an option that would exclude grocery stores

and convenience stores from mandatory menu labeling. FDA has proposed regulations that would regulate grocery stores under the “Nutrition Labeling of Standard Menu Items at Chain Restaurants” provision (§ 4205) included in the Patient Protection and Affordable Care Act (PPACA), but has also proposed an Option 2 (described above) which the grocery industry favors.

Along with FMI representatives, the co-sponsors of H.R. 1249, and representatives of National Grocers Association, National Association of Convenience Stores, and the American Pizza Community participated in the news conference.

FMI’s position was stated thus, “Congress should adopt H.R. 1249 — Common Sense Nutrition Disclosure Act — to codify FDA’s proposed “Option 2” to implement restaurant menu labeling without capturing mainstream grocery stores where the vast majority of foods are already labeled with complete Nutrition Facts information.”

The FDA labeling proposal was intended to provide a uniform standard for chain restaurants with 20 or more locations to preempt the various state and local menu labeling laws, none of which have regulated grocery stores, FMI states.

If the grocery industry was included, the initial costs to the

industry could exceed a billion dollars, and there would be ongoing costs, FMI’s statement continues.

“This [menu labeling] was not designed to regulate grocery stores,” Erik Lieberman, FMI’s regulatory counsel, told SN in a telephone interview.

“It would have a disproportionate impact on grocery stores which have at least 1,500 items compared to a restaurant menu that might have 80 items on it.”

H.R. 1249, embodying FDA’s Option 2, was to be introduced in the U.S. House of Representatives by Rep. Cathy McMorris Rodgers, R-Wash., and Rep. Loretta Sanchez, D-Calif. ■

UNDERSTANDING THE LAW OF PCI COMPLIANCE

By Jake Young

EVERY MERCHANT — FROM GLOBAL GROCERY CHAINS TO THE CORNER

gas station — that stores, processes, or transmits payment card data is required by the major card brands (Visa, MasterCard, etc.) to annually comply with a set of card handling requirements, also known as the Payment Card Industry Data Security Standard (PCI DSS). Thea State of Nevada invested in the success and security of Nevada business by

implementing PCI DSS into state law. State Senator Valarie Wiener introduced Senate Bill 227 in the 2009 session of Nevada Legislature, which mandates merchants that view, handle, store, transmit, or process payment card data to comply with the PCI standard.

Data compromise is a serious issue among merchants, but especially small to mid-sized merchants. In fact, Visa estimates 95% of the credit card breaches it discovers are on its smallest

business customers.

Many merchants falsely assume the lower number of transactions they handle, the less likely they are to be a victim of data compromise. Hackers and cybercriminals know most merchants have security weaknesses and prey on easy-to-steal payment card information at the small merchant level. In other words, if your business is not



yet PCI compliant, you are actively being targeted by

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SMITH'S LAUNCHES FUNDRAISING CAMPAIGN FOR ST. ROSE DOMINICAN HOSPITALS PEDIATRIC UNIT

SMITH'S FOOD & DRUG STORES HAS KICKED OFF ITS ANNUAL CAMPAIGN

to raise funds for St. Rose Dominican Health Foundation in support of charity care for needy children. The funds are specifically being raised to support children who have suffered from traumatic injury or illness and whose families need help meeting their medical expenses.

Last year, Smith's presented St. Rose Dominican Health Foundation with a check for \$200,000 to assist with the hospital's estimated annual pediatric charity care cost of \$5 million dollars,

As Southern Nevada's only Children's Miracle Network

hospital partner, St. Rose Dominican Hospitals treats over 40,000 children every year. One hundred percent of the funds raised in Southern Nevada stays in the area to provide the very best care for families who need it the most.

Smith's invites customers from store communities throughout Southern Nevada

and Northern Arizona (including Las Vegas, North Las Vegas, Henderson, Mesquite, Pahrump, Fort Mohave, Kingman, Lake Havasu and Bullhead) to join in fundraising activities with store associates whose goal is to raise \$200,000 by

April 13. Smith's customers are invited to support store-level fundraising activities including parking lot events, special sales and in-store raffles.

"St. Rose Dominican Hospital is a caring resource for our associates' and customers' families," said Marsha Gilford, vice president public affairs.

"We are enthusiastically supporting this important community organization."

Smith's has a long history of supporting children's hospitals. In the 1940's, company founder Dee Smith would collect pennies and deliver them to the nearby

children's hospital. In the past 20 years, Smith's associates, suppliers and customers have raised over \$7 million for Utah's freestanding children's hospital, Primary Children's Medical Center.

St. Rose Dominican Hospitals is the only Children's Miracle Network hospital system in Southern Nevada and 100 percent of every dollar raised stays in the community to provide pediatric equipment, charity care, and health education for children treated at St. Rose. To learn more about Children's Miracle Network's partnership with St. Rose Dominican Hospitals, visit www.supportstrose.org.



LAW OF PCI COMPLIANCE *Continued from page 5*

hackers and possess a liability that may be devastating to your business.

PCI compliance is determined by the way a business stores, handles, or processes payment card information. Because every business is unique, businesses only need to validate compliance with applicable requirements. Fortunately for a majority of Nevada merchants, the process to become compliant is simple and astonishingly

inexpensive. In order to meet PCI compliance, merchants must maintain secure card handling practices. Typical steps for merchants to validate compliance with the PCI DSS include, but are not limited to:

- Determine validation requirements
- Complete the self-assessment questionnaire (SAQ)
- Pass all required vulnerability scans
- Create and annually

- update an information security policy
- Report compliance status
- Maintain compliance by revalidating annually

If businesses don't meet PCI requirements, they leave themselves vulnerable to attacks and add liability to their business. The Privacy Rights Clearinghouse estimates 80% of small businesses that experience a data breach either go bankrupt or have severe

financial difficulties within two years of a breach. In addition, noncompliant merchants are liable for heavy fines from the card brands and their merchant processor. Arguably the most powerful loss to a business is the significant loss of customers after a brand-tarnishing data breach.

There is a select set of authorized security vendors that help merchants ensure proper compliance with

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COMING SOON: “NO SALE ORDER”

THE MOST SEVERE FDA PENALTY FOR NON-

compliance just might come in 2013. It’s called a “NO SALE” order, and it’s reserved for tobacco-selling businesses with “repeat and serious violations.”

You might think there’s no need to worry about your store, but let’s consider the process that’s underway.

FDA’s enforcement system is no longer in “start-up” mode. It has completed over 131,000 compliance checks (95,000 in 2012). And we’ll certainly see even more checks in 2013 now that enforcement systems are active in 39 states plus the

- District of Columbia.
- The severity of FDA’s penalty structure is based on two things:
 - 1. number of violations; and,
 - 2. the time period in which violations occur (such as within 24 months, 36 months or 48 months.)

WARNING LETTER

If a tobacco retailer receives an FDA Warning Letter (FDA observed violations during a store visit), get ready for a 2nd FDA inspection. They have followed through on the promise to re-visit stores observed to be in violation.

FOLLOW UP COMPLIANCE VISITS

On the second inspection, if a retailer

- fails and gets cited for not checking ID, selling to a minor or other violations (advertising or merchandising), the violations add up. It appears FDA counts any violations associated with the Warning Letter as “one violation.” For all future store inspections, each violation observed is counted separately. With most “failed” inspections showing at least two violations, and some showing four, this second inspection can bring violation 3, 4 or 5 very quickly.

Fail the second inspection, which triggers another repeat store inspection, and we’re already climbing to the most severe penalty level:

- \$10,000 or perhaps a “No Sale Order.” The point is that it really isn’t difficult to rise up the penalty chart quickly if your store is a repeat violator.

I suppose you can guess where I’m headed with this preview: Penalties are avoidable with compliance. Compliance happens with education. Educating all of your employees on the right way to handle age-restricted products, especially FDA regulated products, through proper and effective training is small measure compared to the risks of being on the list of retailers slated for re-inspection. ■

Doug Anderson, President The We Card Program, Inc.

LAW OF PCI COMPLIANCE

Continued from page 6

the PCI DSS and a number of them service Nevada merchants. Once compliant, a merchant receives a validation of compliance, which provides a number of peripheral benefits. Validation enables merchants to continue to protect their brand image and increase consumer confidence. In addition, under the terms of SB227, merchants who validate are eligible for safe harbor protections in the unlikely event that a breach

- did occur. In other words, compliance with the PCI DSS dramatically reduces risk and limits potential financial liability in the event of a compromise. ■

Jake Young is a Director of Business Development at SecurityMetrics, a global leader in merchant data security and compliance. To learn more about PCI compliance, visit www.securitymetrics.com/SB227 or email NevadaPCI@securitymetrics.com.

UPCOMING EVENTS

NACDS ANNUAL MEETING

April 20–23, 2013 • The Breakers
Palm Beach, Florida

NRF GLOBAL SUPPLY CHAIN SUMMIT

May 19–21, 2013 • Adolphus Hotel
Dallas, TX

NRF LOSS PREVENTION CONFERENCE & EXPO

June 12–14, 2013 • San Diego Convention Center
San Diego, CA



Nevada Notes

STATE, COUNTY TAXABLE SALES RISE IN JANUARY

Taxable sales jumped in January, according to new numbers from the state Department of Taxation. Statewide, dealers of cars and car parts enjoyed the biggest increase, at 14.9 percent. General merchandise stores, such as department stores, also saw a sales spike of 13.1 percent. Other gainers included construction, clothing stores, grocery stores, furniture retailers and bars and restaurants.

LVRJ

NO CHANGES PLANNED FOR ALBERTSON'S DESPITE SALE

Albertsons has a new owner, but for now the sale won't affect any of the Las Vegas-area stores.

Eden Prairie, Minn.-based SuperValu has sold all of its Albertsons stores, including the 35 in Nevada, to AB Acquisition LLC in a deal valued at \$3.3 billion, including \$100 million in cash and \$3.2 billion in debt assumption.

No store closures or employee layoffs are planned.

The sale of the remaining Albertsons stores came after SuperValu announced a 2,500-employee layoff for the chain in Nevada and California last June.

In November, SuperValu said it was instituting a pay freeze for its salaried and office employees, along with

a reduced or eliminated 401(k) company match. Separately, another debt-ridden local chain is on the market.

Fresh & Easy Neighborhood Market, owned by Britain-based Tesco, is looking for a buyer or partner for the chain, which operates 200 stores in Southern California, Arizona and Nevada.

Since the stores opened in the United States in 2008, Tesco has lost about \$2 billion on Fresh & Easy.

LVRJ

BILL TARGETS PRESCRIPTION DRUGS

After what happened at a Senate Judiciary Committee meeting — doctor after doctor said the proposed legislation would create a crisis in health care in Nevada, particularly among the elderly — committee Chairman Tick Segerblom, D-Las Vegas, knows his Senate Bill 75 is dead if significant changes aren't made.

Not even fellow Democrats had a kind thing to say during the first hearing on his proposed legislation to make it easy to sue drug makers and medical providers if a patient becomes addicted to prescription pain medication.

What became clear in the testimony of Hollie Hendrikson, a policy specialist for the National Conference of State Legislatures, is that Nevada has a problem with

prescription drugs. When it comes to the number of prescription painkillers sold and the number of prescription drug overdose deaths, Nevada's rate is about 65 percent higher than the national average.

Studies show about 70 percent of people who abuse prescription pain relievers get them from friends or relatives, with many young people taking them from their parents' medicine chests.

That so many abusers aren't the ones to whom the drugs were prescribed generated a question from State Sen. Mark Hutchison, R-Las Vegas. He asked Lisa Adams and David Wuest of the Nevada State Pharmacy Board whether the proposed bill would help with that problem.

They didn't think so, noting that many doctors use an electronic monitoring service provided by the board to see whether patients are getting pills from more than one physician.

LVRJ

LANDLORDS' INCENTIVES, LOW RENTS CAN MAKE MOVING OFFICES MORE ATTRACTIVE FOR LOCAL COMPANIES

Those high-rent districts aren't so high-rent anymore. Upscale Class A offices that many businesses could only dream of renting before the recession are more affordable than ever as a result of the sustained downturn. Local

unemployment is still in the double digits and economic growth is anemic, and tough times mean big discounts in office space. More companies are moving on up to take advantage of Class A's benefits: more parking, better locations, sturdier framing and high-end finishes.

But upgrading isn't for every business. Knowing whether it's right for yours calls for weighing both your line of work and the hidden costs that can spoil a bargain. To crunch the numbers, start with those falling rents.

Class A space that cost \$3 per square foot in better times runs as low as \$2.25 now, said Chuck Witters, SIOR, a senior vice president of Lee & Associates, a commercial real estate brokerage in Las Vegas. Class B offices have dropped from \$2 per square foot to around \$1.50.

LVRJ

NEVADA RANKS 5TH NATIONWIDE IN FRAUD

Per capita, Nevadans ranked fifth nationally last year in fraud and sixth in identity theft, according to a report by the Federal Trade Commission.

But where Nevadans really got stung is in the average amount taken. About two-thirds of Nevadans who reported rip-offs to authorities said they lost money in the transaction. And Nevadans lost an average of \$4,489 when they lost money,



National Notes

SAFeway NAMED TO THINK TANK'S LIST OF 'WORLD'S MOST ETHICAL COMPANIES'

Safeway has been named one of the 2013 World's Most Ethical Companies by the Ethisphere Institute, the company announced.

"We are honored to be included in this prestigious list and humbled to be in the company of the most admired and principled businesses in the world," stated Larree Renda, Safeway EVP and chair of the Safeway Foundation.

"Safeway, at all times, strives to be an exemplary corporate citizen and a trusted partner. It is a commitment we make every day to our employees, business partners and the many communities we serve throughout North America."

Target was also named on the Ethisphere list.

The Ethisphere Institute is a think tank dedicated to the creation, advancement and sharing of best practices in business ethics, corporate social responsibility, anti-corruption and sustainability. For the past seven years, it annually selects companies from throughout the world for its prestigious WME list.

DSN

LOWE'S CAMPAIGN KEEPS EYE ON THE WEATHER

Lowe's is introducing a new round of advertising to promote home improvement projects in the spring, its

prime revenue-generating period. The ads reflect an effort by Lowe's to take advantage of the rebounding housing.

As part of its new advertising, an extension of the "Never stop improving" campaign introduced in 2011, Lowe's is for the first time advertising directly to men, in a spot that was first shown during a Nascar race on Fox, and that will be broadcast during the N.C.A.A. basketball tournament. Lowe's will begin running ads created for specific regions and weather conditions.

The new Lowe's advertising includes a 60-second TV spot that depicts a family moving into a new neighborhood and embarking on home improvement projects that inspire others to do the same. A second 60-second TV spot shows men gathered in a backyard, pretending to be competing in various sports, using home improvement tools like a tape measure and sledgehammer as sports equipment. A voice-over says, "You'll probably never bat in the ninth inning of game seven, or have to make a shot with 20,000 fans screaming at you, or choreograph an original touchdown dance. But you do have a sport, and every weekend is your chance to take the field."

The content of new digital advertising will be determined by the weather.

One ad, for example, says Sunday's forecast is sunny, with a temperature of 68 degrees, and continues, "It's a beautiful day outside. Now's the time to clean up your yard." Digital advertising is running on Web sites like **CBSsports.com**, **Weather.com** and **eHow**.

NYT

OUT OF THE CLOSET: GAY-THEMED ADS BECOME MAINSTREAM

A new TV commercial features a good-looking young woman on a beach vacation lounging next to a good-looking young man. He bemoans the glare on his iPad, and she fills him in on the Kindle Paperwhite's sun-friendly screen.

He clicks to buy one himself and suggests they celebrate with a drink. "My husband's bringing me a drink right now," chirps she. "So is mine," smiles he as they turn and wave at their male loved ones sitting together at a tiki bar.

Welcome to the latest in gay imagery in mainstream advertising, where LGBT people have been waiting for a larger helping of fairness, or at least something other than punchlines and clichés. While there are still plenty of those, something has happened in advertising over the last two or three years, nearly two decades after one chain broke ground in the U.S. with a TV spot featuring a gay

couple shopping for a dining room table — a spot that ran only once in New York and Washington, D.C., and was pulled after bomb threats to the stores.

Same-sex couples have their own, advertised wedding registries at Macy's. Traditionally lagging behind TV and film content in terms of LGBT inclusion, advertisers in this country are facing considerably less trouble than they used to when taking on gay themes, observers said.

AP

NCSL STATEMENT ON MARKETPLACE FAIRNESS ACT AMENDMENT

A major step forward for the Marketplace Fairness Act was achieved in the U.S. Senate. An amendment to the budget resolution for FY 2014 was introduced by bill sponsors Senator Mike Enzi (R-Wyo.) and Senator Dick Durbin (D-Ill.). The amendment passed 75-24, indicating more than enough support to ultimately pass the Senate and avoid a filibuster.

The amendment's passage is a big win for state and local governments that have long championed the legislation. This is also a win for brick-and-mortar business owners throughout the country who currently suffer from a competitive disadvantage.

The National Conference

Continued on page 11



Important Information for SIG Members

The NRS governing self insured groups requires notifying members of all new members to the Nevada Retail Network Self Insured Group. New members for NRNSIG from March 1, 2013 to March 31, 2013 are listed below.

Aces Aircraft Maintenance

Becorfit LLC dba Kaia FIT Midtown

J&J Window-Wash, Inc.

Kent Law

Sahara Pines Animal Hospital

Sierra Diving Center, LLC

NRNSIG members who wish to register a negative vote on a new group member, please write NRNSIG at 575 S. Saliman Road, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.

NOTE FOR MEMBERS

If you would like us to profile your business in our newsletter, or have any questions about RAN or the NRF Partnership, please contact Piper at Piper@rannv.org or call the business office at **775-882-1700**.

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MEMBERSHIP INFORMATION: Find out more about RAN's self insured group. Call Mike Olson, **800-859-3177**, 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.



EASTER SALES TO REMAIN FLAT THIS YEAR

NEVADA RETAILERS CAN EXPECT REACHING \$251 MILLION

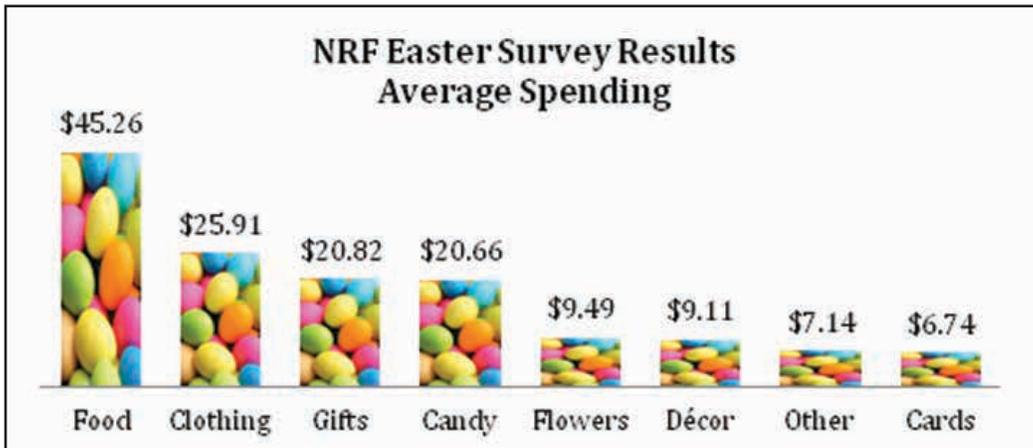
ACCORDING TO THE LATEST SURVEY RESULTS

released by the National Retail Federation (NRF), approximately 83.1 percent of consumers will be celebrating Easter this year with plans to spend an average of \$145.13, essentially flat compared to last year's average of \$145.28. Assuming consumers in Nevada follow national trends, retailers within the state

can expect sales of up to \$251 million this holiday. Easter candy tops most consumers' lists, with 90.5 percent of those celebrating planning to buy some type of candy, spending an average of \$20.66 while at it. Those celebrating also plan on spending an average of \$45.26 and \$25.91, respectively, for holiday food and clothing. Consumers will also spend approximately \$20.82 on gifts, \$9.49 on flowers,

\$9.11 on decorations and \$6.74 on greeting cards. In terms of where shoppers will go for this year's Easter items, the majority (63.4 percent) will be heading to discount stores. Another 40.7 percent will turn to department stores for their holiday needs, while 24.9 percent will go to specialty stores. Also notable, 21.1 percent will be surfing the web to find their Easter goods. Mary Lau, President

of the Retail Association of Nevada (RAN), noted, "We are keeping a close eye on the Easter holiday in light of Congress' restoration of federal payroll taxes. Consumers are essentially indicating that their spending will be unchanged, but the reality is most of them will have a bit less to spend this Easter season. We are hopeful that an improved economy, with fewer people out of work, will be the stronger force." ■



NEVADA NOTES *Continued from page 8*

second in the nation only to Florida, according to the Consumer Sentinel Network report. Nationally, the median loss was \$535. The network contains millions of consumer complaints available only to law enforcement as well as data from other sources, including the Better Business Bureau, the FTC said.

Per capita, the Las Vegas

metropolitan area reported more fraud cases than Reno metropolitan area, the report said. When it came to identity theft, a third of the cases involved government documents or benefits fraud, the report said, while 15 percent involved credit card fraud.

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NATIONAL NOTES *Continued from page 9*

of State Legislatures (NCSL) will continue to advocate vigorously for the Marketplace Fairness Act as it moves through the committee process in the House and Senate.

The Marketplace Fairness Act would allow states to collect sales taxes on remote and online sales. In 2012 alone, it was estimated that

states lost out on a collective \$23 billion dollars. In light of the federal reductions affecting states, passing the Marketplace Fairness Act is a way for Congress to offset some of these reductions, without spending a penny in federal funds.

NCSL



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WASHINGTON RETAIL INSIGHT

NATIONAL RETAIL FEDERATION APPLAUDS SENATE VOTE ON SALES TAX FAIRNESS

RETAILERS UNIFIED AND COMMITTED TO PASSING THE MARKETPLACE FAIRNESS ACT

THE NATIONAL RETAIL FEDERATION RELEASED

the following statement from President and CEO Matthew Shay on the U.S. Senate's passage of the marketplace fairness amendment to the FY14 budget resolution:

"We sincerely want to thank Senators Enzi and Durbin for continuing the fight for fairness on behalf of America's small businesses owners.

"This is a critically important issue for retailers — both large and small — across the country. Both

brick-and-mortar stores and e-commerce leaders understand that the Marketplace Fairness Act is common-sense legislation dedicated to protecting states' rights, strengthening our communities and preserving our free market system.

"NRF members have worked tirelessly advocating for this bill and we will continue to make this a top legislative priority moving forward.

"The retail community is unified in our commitment to pass the Marketplace Fairness Act and make it

law. NRF members will continue to educate and lobby legislators on the importance of leveling the sales tax playing field for all retailers — no matter their preferred channel."

As the world's largest retail trade association and the voice of retail worldwide, NRF represents retailers of all types and sizes, including chain restaurants and industry partners, from the United States and more than 45 countries abroad.

Retailers operate more than 3.6 million U.S. establishments that support one in four U.S.

jobs — 42 million working Americans. Contributing \$2.5 trillion to annual GDP, retail is a daily barometer for the nation's economy. NRF's Retail Means Jobs campaign emphasizes the economic importance of retail and encourages policymakers to support a Jobs, Innovation and Consumer Value Agenda aimed at boosting economic growth and job creation. www.nrf.com | <http://www.retailmeansjobs.com/efairness> ■