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Retail Association of Nevada

MAY/JUNE 2015

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NEVADA NEWS

POLL SHOWS NEVADANS SUPPORT INCREASING EXISTING TAXES TO FUND EDUCATION REFORMS

HIGHER TAXES FAVORED FOR CASINOS, CIGARETTES, LARGE BUSINESSES

CARSON CITY—THE RETAIL ASSOCIATION OF NEVADA (RAN) RELEASED THE

results of a poll of Nevada voters, which shows that a majority of voters believe that Nevada is generally heading in the right direction and approve of the Governor's job performance. To support education reforms, most voters would prefer that taxes be raised on large casinos, cigarettes, and big businesses; an increase on the modified business tax is supported by a majority of voters, while establishing a sliding business license fee for businesses and increasing property taxes are not.

The poll was conducted by Moore Information from May 13 to the 14th, 2015, among a representative sample of 401 voters in Nevada. Both landline and cell phone interviews were conducted using live interviewers. The potential sampling error is +/- 5% at a 95% confidence level.

"As we head into the last weeks of the Legislative Session, we wanted to gain information about how Nevadans view our tax system and various alternatives to providing funding for education reforms," said Mary Lau, president of RAN.

The poll showed that a majority of Nevada voters are optimistic about things in the state; currently 54% believe things

are generally going in the right direction, while 33% say things have pretty seriously gotten off on the wrong track. Just 12% have no opinion.

The Governor's performance finds approval from 61% of Nevada voters, while 21% disapprove of the job Sandoval is doing and 18% have no opinion. The Governor's approval ratings are highest among Republicans (71%), but a majority of Democrats (55%) and nonpartisans/others (57%) also approve of the job Sandoval is doing.

Support for the Governor, however, does not necessarily translate into approval of the Governor's budget proposals and funding methods. Nevada voters are divided in their reactions to a state legislator who supports Governor Sandoval's proposed \$1.2 billion budget increase. Today, 35% say they would be more likely to vote for a legislator who supported the proposal, while 31% would be less likely. Another 26% say a legislator's position on this issue makes no difference to them and 8% have no opinion. The most significant differences on this issue are by partisanship, with Democrats more likely than Republicans or Non-partisans/others to vote for a state legislator who supports Sandoval's proposed budget increase.

A 48% plurality of voters are in

favor of using the existing business tax system and increasing existing taxes to fund education reform, while a third (34%) of voters favor setting up a whole new tax system to fund education improvements. The remaining 18% have no opinion on the issue. A majority of GOP voters (58%) and a plurality of nonpartisans/others (49%) prefer the existing system, but Democrats are divided between the two options.

Of the seven tax-increase ideas tested to fund education improvements, higher taxes on large casinos was the most popular, while increasing property taxes was least popular. The table on page 7 shows the reactions to all seven tax-increase ideas. ■

See Poll Table on page 7

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2015 LEGISLATIVE SESSION UPDATE

By Lea Tauchen

THE FIRST HOUSE COMMITTEE PASSAGE

deadline fell on April 10. Bills that were unable to be heard and passed out of committee by that point were not eligible for further action this legislative session. There were many bills that would have had a negative impact on the retail industry that failed to meet this deadline.

RAN would have been opposed to these bills had they been heard, so we must remain cognizant of such issues as we may see similar bills drafted next legislative session.

BILLS THAT FAILED TO MEET THE DEADLINE AND NO FURTHER ACTION IS ALLOWED:

SB180 — Requires a court to award certain relief to an employee injured by certain unlawful employment practices under certain circumstances.

SB190 — Revises provisions relating to employment (wage discrimination).

SB201 — Revises provisions governing smoking in certain places

(e-cigarettes).

SB259 — Requires an employer to provide paid sick leave to each employee of the employer under certain circumstances.

SJR6 — Amends the Nevada Constitution to revise the method for determining the minimum wage.

SJR8 — Amends the Nevada Constitution to increase the minimum wage per hour worked.

AB235 — Requires an employer to provide paid sick leave to each employee of the employer under certain circumstances.

AB277 — Prohibits state action from substantially burdening a person's exercise of religion under certain circumstances.

AB304 — Revises provisions relating to employment (wage discrimination).

EMPLOYEE MISCLASSIFICATION

For the last several legislative sessions, the Senate Committee on Commerce, Labor, and Energy has examined the issue of employee misclassification. This session is no different.

Employee classification — exempt, non-exempt, or independent contractor status — can affect the rights and benefits that an employee is entitled to under labor laws. However, employers sometimes may, intentionally or mistakenly, misclassify an employee. Often times, it can be difficult for an employer to make the proper decision in classifying a worker.

But misclassification can pose legal problems for the employee and the employer. So the federal government and the state government want to crack down on how companies classify their workers.

In Nevada, **Senate Bill 224** proposes to establish a conclusive presumption that a person is an "independent contractor." That person must meet three or more of the following criteria:

1. Have control and discretion over the means and manner of the performance of any work and the result of the work, rather than the means or manner by which the work is performed;
2. Have control over

the time the work is performed.

3. Are not required to work exclusively for one principal unless: a law, regulation or ordinance prohibits the person from providing services to more than one principal or the person has entered into a written contract to provide services to only one principal for a limited period.

4. Are free to hire employees to assist with the work.

5. Contribute a substantial investment of capital in their own business, including the purchase or lease of ordinary tools, material and equipment, and the lease of any workspace from the principal required to perform the work.

SB224 also excludes the relationship between a principal and an independent contractor from an employment relationship for the purpose of requiring the payment of minimum wage.

If you have questions or would like additional information, please contact Lea Tauchen at lea@rannv.org or (775) 882-1700. ■



LEGISLATIVE CHAIRMEN

Editor's Note: It's been almost 20 years since Assembly Republicans have had an opportunity to chair a legislative committee. While it's been a shorter time for Senate members, due to term limits, none of the current Senate leadership has previously chaired a legislative committee.

This is the fourth in a series of profiles on the new legislative chairmen/women. (NOTE: The Judiciary Committees are two of the busiest committees at the Legislature, which is why they meet every day of the week.)

SENATE COMMITTEE ON JUDICIARY OVERVIEW

Meets M, T, W, TH, F, at 1:00 p.m. in Room 2134

Chairman: Greg Brower, R-SD 15 (Western part of Washoe County). (Vice-Chairman – Revenue & Economic Development; Legislative Operations & Elections – Member)

Senator Greg Brower was appointed to the Senate in 2011, replacing Senator William Raggio. He won election to the seat in 2012. As a former assemblyman, (1999-2002) he has more experience on the Judiciary Committee than most. But the Chairman's spot is a new one for him.

"I'm enjoying being Chairman, but it's a lot more work than you know when you're in the minority. There's far more to it than just running the committee meetings. Of course, staff helps a lot on the back end of things and we really do rely on them. They're great."

According to Brower, the list of duties not seen by the public includes:

- Setting the daily agenda — what bills will be heard and in what order, which is sometimes dictated by witnesses' and sponsors'



Senator Greg Brower, Chairman Senate Committee on Judiciary

schedules; notification of other legislators who have an interest in a particular bill.

- Deciding if a bill has enough support to pass the committee and which bills will not be heard and subsequent notification of sponsors.
 - Keeping track of bills ensuring records on each bill are accurate.
 - Meeting the deadlines for bill passage out of committee, and then to the other house.
 - Keeping track of amendments requested and ensuring they've been accurately drafted.
 - Assigning statements to legislators to explain the bills to the full body.
- "The tough meetings are telling people there

just isn't the support in the committee to even hear their bill. With only 120 days, and all the deadlines, I just can't waste the committee's time hearing a bill that isn't going anywhere," Brower said reluctantly.

"Of course, the chairmen I admired most were Senators Raggio and (Randolph) Townsend. But they had years of experience. When Senator Raggio was first elected, he spent almost 12 years as the Minority Leader. If term limits had been in effect then, he never would have had the chance to chair a committee. So now we start some freshmen out as chairmen in hopes they will get the experience they need for the future," he clarified.

Brower's been praised by lobbyists for his efficiency and fairness in running his committee. The members appear to be in sync in that each pinpoints a part of a bill and little, if any, is overlooked.

"We have seven members on the committee and five of them are attorneys. The two non-attorneys (Sens. Hammond and Kihuen) have been on Judiciary before so these

issues are not always new to them," he said.

Tort reform has been one of the major issues before the Committee.

"There's been no reform for a long time as the Senate has been controlled by those who wanted no change. And I believe that what we've managed to do this session is just a more balanced approach back towards the middle. We've been successful with some such as construction defects and recently we passed a bill that would protect retailers from lawsuits regarding product defects.

"As a chairman, I've worked hard to run an efficient, fair, committee with a balanced professional approach. Some bills appear simple and then when you go to work out the language, they get complicated and take more time than the schedules allow. For those, I try to get a waiver for the bill.

"Above all else what the new Republican Majority is trying to do this session is improve and fund education, we want to get our economy back on track and put people to work.

That means targeting

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LEGISLATIVE CHAIRMEN *Continued from page 3*

those items that would attract companies like Tesla. And certainly one of the sub-categories in that would be to ensure our business-friendly and regulatory environment is operating in a way that attracts highly respected businesses. That has not been a focus in past sessions," Brower concluded.

ASSEMBLY COMMITTEE ON JUDICIARY OVERVIEW

Meets M, T, W, Th, F, at 9:00 a.m. on Mondays, 8:00 a.m. Tuesdays through Fridays in Room 3138

Chairman: Ira Hansen R-AD 32, (Esmeralda, Humboldt, Lander, Mineral, Nye-Part, Pershing, Washoe-Part.) (Assistant Majority Floor Leader, Commerce & Labor Committee-Member, Natural Resources, Agriculture & Mining Committee-Member)

Ira Hansen has been participating in the Legislative process since 1987.

"I started coming down here and lobbying on behalf of myself in 1987 and every session after that; I ran for the Assembly in 1992, and lost in the primary."

Now Hansen is in his third session as an elected Assemblyman, and chairing the Judiciary Committee.

"We (Assembly Republican Candidates)



Assemblyman Ira Hansen, Chairman Assembly Committee on Judiciary

were working to get 18 elected this session. Instead, we got 25 elected and were in the majority. It was a shock to all of us; we weren't prepared for this.

"I chose to chair Judiciary, first, because I've served in the previous two terms sitting on it, and second, it's one of the most interesting committees. (I would have a problem sitting on Ways and Means looking at numbers all day.) So we're in a learning curve and we're learning as we go.

"I admired the two previous Judiciary Chairmen, Jason Frierson and William Horne. Both were efficient and fair to both sides and that's how I'm trying to be. In fact, I invited William Horne into the office, sat down with him and picked his brain on a number of matters."

Not being an attorney has not been a detriment to Hansen. In the past, Bernie

Anderson and Sue Wagner were two non-attorneys who chaired Judiciary in the Assembly and the Senate.

"Clearly great staff is needed and Brad Wilkinson is outstanding. There would be some advantage in being an attorney to address complicated issues. We have four attorneys and one person with a law degree, but not practicing, on the committee. Their questions help us get to the core of the matter.

"I think technology has hurt some aspects of the legislative process. Members bring their laptops and/or cell phones to committee and sometimes, instead of listening to the testimony, I can see them texting or emailing. A member of the public deserves our attention so I no longer bring my computer or cell phone and focus on the person testifying.

"One of the biggest issues for us to deal with is protecting civil liberties in an age of rapid expansion of technology. And we're dealing with issues that affect businesses such as collections, mortgages and theft.

The walls of Ira Hansen's office and conference room are lined with memorabilia and historical photos. But the item most cherished is a photo of his Dad as an Eagle Scout and himself as an Eagle Scout along side of

a letter from his grandfather.

"When I have tough decisions to make, I reread this and remind myself:

'Dear Grandson Ira, We've talked about the meaning of the word honor in the Boy Scout promise so you could learn to pass your tenderfoot test. What do you mean when you say 'on my honor...'? Do you mean on your true word, on your high character? You mean you will stick to your word, you mean that your word is true and will remain true. You mean you will do that which is right and which is rightly expected of you. You say you'll do a certain thing and you'll do it, not failing. You say you'll feed the horses you feed them. You say you'll attend a Scout meeting and you are there. You say you'll be reverend and you're reverend.

If you do bad and wrong you have broken your honor and you must repent and be forgiven and regain your honor. If you do right and good you'll have your honor.

Always try to keep your honor bright, Ira, With Love, Grandpa Hansen"

"I was 10 years old when he wrote that to me. When I'm tempted to compromise, I look at that ... character and honor are what you're supposed to have in life," said Ira Hansen. ■



SURRENDER, DOUBLE-DOWN OR TRANSFORM

By James Larsen, Ph.D.

SURRENDER, DOUBLE-DOWN, OR TRANSFORM. WHICH WILL IT

be for you if your business encounters a prolonged period of adversity? You might think it's impossible to say. Each choice represents a business strategy, and business strategy involves defining the situation, generating options, and making rational choices, choices that reflect your best alignment of strengths with possibilities. Adversity might force any of the three on you.

It sounds reasonable, but is it true?

Encountering adversity is common for new retail businesses, so common that researchers can closely examine the experience and notice patterns that emerge... patterns that could be very instructive to new business owners as they encounter adversity, and that's what recent research by E. Erin Powell from Clemson University now provides.

Founders of new businesses express important parts of their personal identities when they start a business. For some, it's very simple: "I watch the bottom line;"

"I want to make money." For others, multiple aspects of their identities are expressed: patriot, community supporter, caring boss, businessperson, and others.

Powell noted two variations in this second group: 1) business founders who felt that all important aspects of their identities are expressed through their firms, and 2) owners who found contradictions which frustrated their

them to define adversity in different, predictable ways. They seemed to notice some aspects of the adversity but not others, which led to differing understandings of the adversity they faced.

Owners with simple expressions of a single identity, "watching the bottom line," noticed threats that had to be accommodated. Reduced revenue dictated that they reduce costs and shrink to

opportunity in adversity. They recognized aspects of adversity that allowed previously suppressed elements of their identities to find expression in a transformed business that exploited opportunities the adversity exposed.

Surrender, double down, and transform are distinct business strategies often implemented in times of adversity for the wrong reasons. For business founders facing adversity,

what feels right may be a function of their

"Founders of new businesses express important parts of their personal identities when they start a business."

ability to express important elements of their identities through their businesses, for example, an environmentalist who could not afford to run his/her business in an environmentally sustainable way and yet stay in business.

Powell labeled the first group congruent and the second incongruent. The identities of those in the congruent group supported each other. The identities of those in the incongruent group conflicted with each other forcing owners to suppress some important elements of their identities.

Powell found that these differences in the expression of owners' identities with their businesses caused

fit the new business reality even if it meant closing up the shop. These folks surrendered to the new reality.

Owners expressing multiple identity elements that supported each other (congruent identity expression) had great confidence in the choices they had made. They defined adversity as a challenge, a test of their fortitude. They got to work, doubling down on their effort, changing very little in their businesses, and expressing confidence they could outlast the adversity.

Owners with multiple identity elements that conflicted (incongruent identity expression) saw

identification with the business. It may ignore important realities and opportunities present in the unfolding business environment. When this happens, it would be best to listen carefully to trusted advisers and pay less attention to your guts. ■

Reference: businesspsych.org

NRF LOSS PREVENTION/EXPO
Conference: June 23-25, 2015
Expo: June 24-25, 2015
Long Beach Convention and Entertainment Center
Long Beach CA



AMBUSH UNION ELECTIONS WILL 'MUZZLE' RIGHTS OF WORKERS AND EMPLOYERS

NEW NLRB RULES TOOK EFFECT APRIL 14

THE NATIONAL RETAIL FEDERATION ISSUED THE

following statement from Senior Vice President for Government Relations David French on National Labor Relations Board "ambush" election rules:

"This is an overt attempt by the administration to tilt the union election playing field. It is a gift to the White House's allies in

Big Labor and their union organizing efforts.

"These rules are similar to the 'hurry-up offense' where one side hopes to catch the other off-guard with misdirection and a hurried pace. In this case, employers will be put on constant defense and always placed at a disadvantage.

"This change will significantly restrict both employees' and employers' participation

in the union organizing process and severely compress the union election cycle. It muzzles the rights and voices of employees who want to understand the benefits and consequences of union organizing as well as employers who want to rebut and respond to union-backed charges.

"NRF will continue to challenge the NLRB in Congress and in the courts."

NRF in January joined the Coalition for a Democratic Workplace, National Association of Manufacturers, Society for Human Resource Management and U.S. Chamber of Commerce in filing a lawsuit challenging the regulations. NRF is also involved in a related case that is under appellate review. ■

OVERTIME EXPANSION WOULD HARM RESTAURANT AND RETAIL CAREERS, MANAGERS AND CONSUMERS

NRF SURVEY SHOWS PROPOSAL WOULD HOLLOW OUT MIDDLE MANAGEMENT

AN OBAMA ADMINISTRATION PROPOSAL TO EXPAND

overtime and redefine what it means to be a restaurant or retail manager will likely harm managers' career paths and undermine the quality of customer service they are able to provide, according to a new survey conducted for the National Retail Federation (NRF).

"The administration is singling out the service economy, specifically

restaurants and retailers, with these new overtime regulations," NRF Senior Vice President for Government Relations David French said.

"The proposed Labor Department regulations will hinder the career paths of millions of American workers, restrict the duties a manager can perform while working, impact the customer experience, and add lots of paperwork and bureaucracy to the job description."

NRF, which represents

both restaurant and retail companies, commissioned research firm GfK to conduct an online survey of 200 salaried retail and restaurant managers nationwide. The survey asked respondents about the administration's plan to revise the Fair Labor Standards Act. The manager survey found that:

- 81 percent predict an adverse impact on customer service;
- 75 percent say it would erode the efficacy of employee training;

● 72 percent think it would compound costs due to the need for additional staff;

● 66 percent say it would decrease employee morale; and

● 56 percent believe the changes would not increase pay or benefits.

President Obama ordered the Secretary of Labor last year to update federal overtime regulations, and draft rules that are expected to be issued this

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POLL *Continued from page 1*

IDEAS TO FUND EDUCATION IMPROVEMENTS

Currently, the top tax rate in Nevada on gross gaming revenue is 6.75%, the lowest gaming tax rate in the nation. Would you favor or oppose increasing the top rate so that large casinos would pay a higher tax rate in Nevada, in order to improve education in Nevada? (Q8)

FAVOR 79%	DON'T KNOW 3%	OPPOSE 17%	NET FAVOR +62%
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Would you favor or oppose increasing the cigarette tax from 80¢ a package to \$1.80 a pack, which would be 93¢ higher than California's tax, in order to improve education in Nevada? (Q5)

FAVOR 63%	DON'T KNOW 4%	OPPOSE 33%	NET FAVOR +30%
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Would you favor or oppose requiring all large businesses, such as big box retailers, to pay higher taxes in Nevada, in order to improve education in Nevada? (Q7)

FAVOR 58%	DON'T KNOW 5%	OPPOSE 37%	NET FAVOR +21%
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Would you favor or oppose increasing the modified business tax rate, which is a payroll tax paid by Nevada's largest employers, in order to improve education in Nevada? (Q10)

FAVOR 51%	DON'T KNOW 9%	OPPOSE 40%	NET FAVOR +11%
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Currently, all businesses in Nevada pay a \$200 business license fee. One proposal to raise funds would establish a sliding business license fee that would be based on a company's type of business and gross revenues, not profits. This fee would range from \$400 for smaller businesses to \$4 million for the largest businesses. Would you favor or oppose establishing such a business license fee system in order to improve education in Nevada? (Q9)

FAVOR 44%	DON'T KNOW 5%	OPPOSE 51%	NET FAVOR -7%
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Would you favor or oppose an increase in your property taxes, in order to improve education in Nevada? (Q6)

FAVOR 31%	DON'T KNOW 7%	OPPOSE 62%	NET FAVOR -31%
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A significant majority of Nevada voters believe large casinos do not pay their fair share of taxes in Nevada and a plurality say big businesses don't pay their fair share. Only 26% believe large casinos pay their fair share, while 60% say they don't. At the same time, 33% believe large businesses pay their fair share of taxes while 49% say they don't.

On other issues, the poll found that a presidential primary system is favored by 65%, while the current caucus system is favored by just 24%. The remaining 11% have no opinion. More than six-in-ten Democrats, Republicans and nonpartisan/other voters favor a presidential primary. A slim majority of voters (52%) favor legalizing the sale of marijuana for recreational use in Nevada if all tax revenue generated from the sale of marijuana was used to improve education in Nevada, while 41% are opposed.

Full poll results can be found on the RAN website at www.rannv.org.

Moore Information, Inc. is a national opinion research and strategic analysis firm. Founded in 1981 by Bob Moore, Moore Information has earned a national reputation for excellence in quantitative and qualitative research in politics, public affairs/public relations, public policy and government.

Contact: Bryan Wachter, Senior Vice President, RAN **775-771-8969; bryan@rannv.org**



Nevada Notes

NV SENATE OKS BILL REQUIRING ONLINE SELLERS TO COLLECT SALES TAX

Nevada lawmakers have passed a bill requiring more online sellers to collect and pay sales taxes.

Senators voted to approve AB380 on a unanimous vote. The measure passed the assembly on a 33–9 vote in April.

The bill seeks to require Internet sellers outside the state to collect sales taxes if they complete a certain amount of sales inside Nevada or solicit sales through the Internet.

Supporters say that loopholes in current law put brick-and-mortar stores at a disadvantage compared with their online counterparts, especially as more consumers turn to online shopping.

Current law requires online shoppers who don't pay a sales tax to sellers to report and pay the taxes directly to the state, but consumers rarely do so.

FoxNews

SANDOVAL'S PAINKILLERS PLAN FACES SENATE DEADLINE

Sandoval's prescription drug proposal, designed to help prevent highly addictive painkillers from being dispensed to people without a medical need, must pass out of the Senate to stay alive.

In Senate Bill 459, the governor proposes to require all practitioners to check the state prescription monitoring program before ordering certain controlled substances to make sure patients do not get excess medication.

SB459 also would require all prescribers to register with the state prescription monitoring program. Presently, only an estimated 50 percent of Nevada physicians are registered to use the database.

Called the Good Samaritan Drug Overdose Act, the bill also would grant immunity for doctors administering medications to reverse the life-threatening effects of an overdose of opiate painkillers such as morphine.

The requirement that prescribers check

the monitoring program before initiating a prescription for a controlled substance has drawn opposition from physicians.

Many pharmacists support making the monitoring program mandatory.

Las Vegas Review-Journal

JUDICIARY HEARS BILL TO PROTECT SELLERS OF DEFECTIVE PRODUCTS

Senate Majority Leader Michael Roberson, R-Las Vegas, told the Judiciary Committee innocent product sellers shouldn't be "dragged into court" to defend faulty products.

The measure is one of several tort reform measures introduced by Republican majorities in the 2015 session.

Roberson said if the retailer did nothing to alter or cause problems with the product, and the manufacturer causes the problem, retailers would be protected from those suits by SB161.

Committee members Aaron Ford, D-Las Vegas, and Chairman Greg Brower, R-Reno, both pointed out the plaintiff's lawyer could name several "John Does" as parties

to the suit in that case to protect the ability to sue.

Roberson said the practice of naming the retailer "is frequent and ongoing," causing substantial legal costs for retailers and, as a result, some 17 states have recognized that problem and passed legislation similar to SB161.

He said an exception in the bill is for situations such as when the defective product was made in China and the victim can't sue the manufacturer for recovery of damages.

Nevada Appeal

CONTAINER PARK WELCOMES NEW BUSINESSES

Container Park, Downtown Project's flagship development, welcomed five new businesses to its entrepreneurial retail incubator setting in downtown Las Vegas.

All the businesses are self-financed and aren't receiving any investment money from Downtown Project, Tony Hsieh's \$350 million redevelopment initiative.

Businesses come and go at Container Park because they are entre-

Continued on page 11



National Notes

OVERTIME RULES LIKELY TO BRING UNINTENDED CONSEQUENCES

The Obama Administration's plan to revise federal overtime regulations would likely "hollow out" low- and mid-level management positions in the restaurant and retail industries and result in a shift toward more hourly and part-time workers, a new National Retail Federation report showed.

The report, *Rethinking Overtime*, found that the proposal could cost retailers millions of dollars in added costs and would disproportionately impact retailers operating in rural states.

"This is a workplace regulation with massive hidden costs," NRF Senior Vice President for Government Relations David French said. "Any potential lift in take-home pay would be a mirage, but the consequences of this rule would be real, in terms of higher costs for businesses and less opportunity for employees to move up the career ladder from associate to manager. The overtime rules would hollow out middle-management careers and middle-class

opportunities for millions of workers."

The new NRF report conducted by Oxford Economics—a leading global economic consultancy firm founded with Oxford University—comes as the Department of Labor is revising federal overtime regulations.

The new rules, which were recently submitted to the Office of Management and Budget for review, are expected to raise the current standard that guarantees overtime to workers earning up to \$455 a week and redefine the duties of administrative, executive and professional workers above that level who can be declared exempt from overtime. The rules were last updated in 2004 and 1976.

US PRESCRIPTION DRUG SPENDING JUMPED 13 PCT. IN 2014

Spending rose 13 percent, the biggest jump since 2001, to a total of \$374 billion, according to a report released by the IMS Institute for Healthcare Informatics. After accounting for population growth and inflation, the increase equaled 10 percent.

A record 4.3 billion prescriptions were filled in 2014, many of them for inexpensive generic pills going to patients now insured through Medicaid in states that expanded eligibility for the government health program for the poor and disabled. The number of prescriptions covered by Medicaid rose by nearly 17 percent, and that increase accounted for 70 percent of growth in the number of prescriptions filled at retail pharmacies.

The 2014 spending growth was somewhat restrained by insurers' efforts to hold down their costs. Insurance companies increasingly have been shifting patients into plans that include high copayments for medicines, as well as large deductibles that must be met before insurance coverage kicks in.

IMS said that led to more prescriptions being abandoned at the pharmacy counter by patients who couldn't afford their portion of the cost. That ultimately resulted in 8.4 million fewer prescriptions being filled at retail pharmacies in 2014, compared to 2013, by patients who were commercially insured,

either through their employer or a new health exchange plan. *Washington Post*

NRF ANNOUNCES CREATION OF THE RETAIL RESEARCH AND ANALYSIS CENTER

The National Retail Federation (NRF) announced a multimillion-dollar investment to form a new department within the organization focusing on industry research.

The Retail Research and Analysis Center will bring together all existing research within NRF and expand upon the wide range of issue areas and trends already studied. The Center will focus on four main areas: the economy, legislative and regulatory policy, the retail industry and consumers.

Current staff and consultant resources are being utilized and additional dedicated staffing is anticipated.

"NRF is an acknowledged leader in advocacy, research, education and analysis. The formation and funding of the Retail Research and Analysis Center will allow us to take this important function to the next level, with the resources



Important Information for SIG Members

NRS requires all existing members of a self-insured group to be notified of all new members.
NRNSIG new members are listed below.

AA Tours LLC dba u Pair Adventures

Branch-Hernandez Consulting & Insurance Services LLC

Chicago Mikes Pizza LLC

Critter Care Animal Hospital LLC

Cross Fit Unrested Assurance LLC

Illuminations Counseling LLC

Laughing Cow LLC dba Rejunkery

NEXSYS LLC

Pacific Enterprises Plaza Partnership

Spring Inn Bar

ZGI LLC dba Kaya Beauty Salon & Spa

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.

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Retail Association of Nevada

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(800) 480-1846 or (702) 740-4380

Elko Office
557 W. Silver Street, #206, Elko, NV 89801
(775) 753-7771



NEVADA NOTES *Continued from page 8*

preneurial and can sign leases for as short as three months. The outdoor shopping area has space for 38 tenants, who sell their goods in repurposed shipping containers at 707 Fremont St.

There was no strategy to seek businesses that didn't need Downtown Project financing.

LVRJ

WALMART LAYS OUT LIVESTOCK GUIDELINES

Walmart's push to get its suppliers to give farm animals fewer antibiotics and more room to roam is expected to have a big impact on the food industry, experts say.

Though the steps are voluntary, Walmart, which sells more food than any

other store, has a history of using its retail muscle to change the way products are made and sold across the retail industry.

Walmart told The Associated Press that it's asking meat producers, eggs suppliers and others to use antibiotics only for disease prevention or treatment, not to fatten their animals, a common

industry practice.

The guidelines also aim to get suppliers to stop using pig gestation crates and other housing that doesn't give animals enough space. They're also being asked to avoid painful procedures like de-horning or castration without proper painkillers.

RGJ

NATIONAL NOTES *Continued from page 9*

necessary to deliver real results for our members and the industry," said NRF President and CEO Matthew Shay.

Press Release

HOW LIKELY ARE YOU TO BE AUDITED?

Recent statistics on IRS audits have been released, and they might have something to say about how likely you are to get audited this year. Let's take a look:

Rich Audit, Poor Audit

Even in this era of IRS austerity, wealthier people still face more scrutiny than average. If you make \$200,000 to \$1 million annually, your chances of an audit are around 2.2 percent, more than double the average. It's even higher for the extra-wealthy—people who earn more than \$1 million are audited at a rate of around 7.5 percent.

So if you made less

than \$200,000 last year, you can probably breathe a sigh of relief. And a 1 in 13 chance of an IRS audit can probably leave last year's millionaires breathing easy on their yachts.

No Audit?

While making more may increase your chance of an audit, a taxpayer's overall odds of IRS review have been steadily dropping. Just 0.9 percent

of individual taxpayers were audited last year, the lowest proportion in seven years.

This is part of a larger trend of dropping audit rates. The IRS's budget has been declining -- 17 percent since 2010. The only group to see their audit rates rise were those living overseas and filing in the U.S.

SmartBriefs

OVERTIME EXPANSION *Continued from page 7*

summer. The proposal is expected to raise the salary threshold that guarantees overtime pay and redefine the duties of those who are declared exempt. The last time the overtime rules were revised was 2004.

"Managers overwhelmingly disapprove of changing federal overtime rules for exempt employees, because they understand that these new rules will negatively impact their careers, their businesses,

their employees and their customers," French said.

"The new overtime rules will hollow out middle-management and limit merit-based opportunities for millions of middle-class workers. The survey

results should give the administration significant pause as they seek to rewrite federal labor and overtime regulations. Inherently, these managers know that the changes will hurt their career opportunities." ■



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WASHINGTON RETAIL INSIGHT RETAILERS WELCOME RATIFICATION OF PORT CONTRACT

THE NATIONAL RETAIL FEDERATION ISSUED THE

following statement from Senior Vice President for Supply Chain and Customs Policy Jonathan Gold on news that the International Longshore and Warehouse Union has ratified a five-year labor contract with the Pacific Maritime Association covering dockworkers at 29 West Coast ports:

"At long last the year-long contract dispute between the ILWU and

• PMA has come to an end.
 • Shippers can rest a bit
 • easier knowing that the
 • West Coast ports will be
 • more stable over the next
 • few years. While we are
 • happy to see the contract
 • ratified it's not going to
 • be long before we are go
 • through this process all
 • over again.

• "The past year was
 • fraught with disruptions,
 • slowdowns and partial
 • shutdowns. This is
 • something we will no
 • longer tolerate. The world
 • is changing, and our ports
 • must adapt to ensure they

• provide shippers with the
 • predictability and stability
 • they need. We can no
 • longer accept last-minute
 • negotiations and months
 • and months of talks while
 • slowdowns and stoppages
 • disrupt the global supply
 • chain and international
 • trade.

• "Negotiators need
 • to begin their talks early
 • enough to have an
 • agreement in place well
 • before another contract
 • expires without active
 • or passive threats to the
 • economy and the millions
 • of jobs dependent on

• our nation's ports and
 • supply chain. The current
 • process is impractical and
 • unsustainable and fails to
 • meet even the most basic
 • requirements of a modern,
 • global supply chain. ■

• **CORRECTION — In the**
 • **last issue, the editor**
 • **incorrectly identified**
 • **Speaker John Hambrick**
 • **as the majority leader.**
 • **We apologize. —Editor**
