



# RAN

Retail Association of Nevada

OCTOBER 2014

## LOOKING OUT FOR BUSINESS

410 South Minnesota Street • Carson City, NV 89703-4272

775-882-1700 • www.rannv.org

# NEVADA NEWS

## CHARGING FORWARD

By Bryan Wachter

### OUR LEADERS TOOK A BOLD STEP LAST MONTH

during the 28th Nevada Special Session. Thomas Jefferson said luck lies at the crossroads of preparation and opportunity, but our vision for Nevada must be based on more than luck. Nevada's future will arrive, and where we are, what we look like, and more importantly, what we stand for, will be decided today.

The foundation of the partnership between resident and lawmaker, citizen and state leader, must rest at the ballot box. Some election choices are easy and others require significant thought, but every choice requires your attendance, participation and effort.

Next month, Nevada faces a ballot saturated with stark juxtaposition. Seemingly innocuous issues, like creating a court of appeals, will have far reaching consequences, should citizens not vote for it. RAN urges support of Question 1, because too long our members wait while issues are backlogged in our court system. We all have the right to a speedy trial, and a "yes" vote on Question 1 affirms that.

Question 2 asks voters to ignore a century's worth of hard work and innovation in the very specialized field of mining. As an industry, it leads Nevada in paying high wages and benefits. Nevada needs to encourage more industries, like mining, not build additional hurdles to growth. RAN urges a "no" vote on Question 2.

By far, the most important box on the ballot for 2014 is Question 3, the Margin Tax. Nevada News has outlined repeatedly (and we do so again on pages 6 & 7) how devastating this proposal will be to our state. A tax on revenue, not profits, to the tune of billions more in taxes each biennium with no regard to how the tax is implemented, or how it will be spent, will close countless business' doors and cost thousands of jobs, just when Nevada needs them most. RAN deeply urges a "no" vote on Question 3.

The legislature is the correct venue for questions such as 3, not forced through the initiative process, but where they can be thoughtfully vetted. True, the business community will object to margin tax-style changes, but too many questions remain for this tax to take root. RAN has

been at the table in support of sensible tax issues, and against proposals that seek "solutions" that cause more problems than they solve. Owing to how important the legislative process is to each of our businesses, we as individuals must strive to create a more equal partnership with those that we elect.

It is our responsibility as economic leaders in Nevada to send to Carson City, or local town halls, representatives that not only understand our issues, but who have proven through their votes and actions that encouraging Nevada's economy to thrive is a worthy goal. Needlessly burdensome regulations, unbending

*Continued on page 2*

### INSIDE

- Candidates ..... 2
- Message from the Nevada Department of Taxation ..... 4
- The Victim ..... 5
- Margin Tax Initiative ..... 6 & 7
- Nevada Notes ..... 8
- National Notes ..... 9



# CHARGING FORWARD *Continued from page 1*

red tape, and confusing compliance standards serve no purpose but to create road blocks to prosperity.

In this issue of *Nevada News*, RAN has provided a guide to the 2014 fall election that highlights the congressional candidates,

constitutional officers, state legislators, and initiatives that seek your favor. If the incumbent legislator (running for the legislature or higher office) has a RAN matrix score, you'll find it next to his or her name. Candidates in bold have received support from the

Retail Association and have proven their capacity to empathize with and work together with the retail community to help resolve the questions facing Nevada.

Unlike energy, and a battery factory, goodwill and intentions cannot be

stored from one election to another. They must be recharged every two years, not out of obligation, but out of a commitment to strengthen the relationship between our communities and those we choose to speak with our voice moving forward. ■

**The following are the Congressional, Constitutional, and Legislative contests in this year's election. Due to lack of space, minor party candidates were omitted from races that include a candidate from both major political parties. Names in green are those candidates who scored well on the RAN Legislative Voting Matrix and/or are supported by RAN.**

## BALLOT QUESTIONS

### Question 1: Vote Yes

Shall the Nevada Constitution be amended to create a Court of Appeals that would decide appeals of District Court decisions in certain civil and criminal cases?

### Question 2: Vote No

Shall the Nevada Constitution be amended to remove the cap on the taxation of minerals and other requirements and restrictions relating to the taxation of mines, mining claims, and minerals and the distribution of money collected from such taxation?

### Question 3: Vote No

Shall the Nevada Revised Statutes be amended to create a 2% tax to be imposed on a margin of the gross revenue of

entities doing business in Nevada whose total revenue for any taxable year exceeds \$1 million, with the proceeds of the tax going to the State Distributive School Account to be apportioned among Nevada's school districts and charter schools?

## U.S. HOUSE OF REPRESENTATIVES

### District 1

Dina Titus (D)  
Annette Teijeiro (R)

### District 2

Mark Amodei (R)  
Kristen Spees (D)

### District 3

Joe Heck (R)  
Erin Bilbray (D)

### District 4

Steven Horsford (D)  
Crescent Hardy (R, 90%)

## CONSTITUTIONAL OFFICES

### Governor

**Brian Sandoval (R)**  
Robert Goodman (D)

### Lieutenant Governor

**Mark Hutchison (R, 78.89%)**  
Lucy Flores (D, 48.24%)

### Secretary of State

**Barbara Cegavske (R, 89.44%)**  
Kate Marshall (D)

### State Treasurer

**Kim Wallin (D)**  
Dan Schwartz (R)

### State Controller

Ron Knecht (R)  
Andrew Martin (D, 60%)

### Attorney General

**Ross Miller (D)**  
Adam Laxalt (R)

## NEVADA SENATE

### Senate District 2

**Mo Denis (D, 67%)**  
Louis Baker (IAP)

### Senate District 8

**Patricia Farley (R)**  
Marilyn Dondero-Loop (D, 50.59%)

### Senate District 9

**Justin Jones (D, 70%)**  
Becky Harris (R)

### Senate District 10

**Ruben Kihuen (D, 67.78%)**  
Edmund Uehling (L)

### Senate District 12

**Joseph Hardy (R, 97.78%)**

### Senate District 13

**Debbie Smith (D, 72.22%)**  
Thomas Koziol (R)

### Senate District 14

**Don Gustavson (R, 94.44%)**  
Joe Hunt (D)



# CANDIDATES *Continued from page 2*

## Senate District 16

**Ben Kieckhefer**  
(R, 97.78%)

Michael Kelley (D)

## Senate District 17

**James Settlemeyer**  
(R, 101.11%)

## Senate District 20

**Michael Roberson**  
(R, 96.67%)

Teresa Lowery (D)

## Senate District 21

Mark Manendo (D, 62%)  
Ron McGinnis (R)

## NEVADA ASSEMBLY

### Assembly District 1

**Marilyn Kirkpatrick**  
(D, 70.59%)

Roger Baum (R)

### Assembly District 2

**John Hambrick**  
(R, 77.5%)

AJ Maimbourg (IAP)

### Assembly District 3

Nelson Araujo (D)  
Jesus Marquez (R)

### Assembly District 4

**Michele Fiore**  
(R, 71.76%)

Jeff Hinton (D)

### Assembly District 5

Jerri Strasser (D)  
Erv Nelson (R)

### Assembly District 6

Harvey Munford (D, 50%)

### Assembly District 7

**Dina Neal (D, 65.88%)**  
Brent Leavitt (R)

### Assembly District 8

Jason Frierson (D, 60.59%)  
John Moore (R)

### Assembly District 9

**Steve Yeager (D)**  
David Gardner (R)

### Assembly District 10

Jesse Holder (D)  
Shelly Shelton (R)

### Assembly District 11

Olivia Diaz (D, 51.18%)

### Assembly District 12

James Ohrenschall  
(D, 52.94%)

Troy Warren (IAP)

### Assembly District 13

**Paul Anderson**  
(R, 71.18%)

Christine Kramar (D)

### Assembly District 14

Maggie Carlton (D, 60.59%)  
Matthew Yarbrough (R)

### Assembly District 15

Elliot Anderson (D, 57.65%)  
Benjamin Donlon (R)

### Assembly District 16

Heidi Swank (D, 56.47%)

### Assembly District 17

Tyrone Thompson (D, 54%)  
Patrick Mendez (R)

### Assembly District 18

Richard Carrillo (D, 64.71%)  
Amy Beaulieu (D)

### Assembly District 19

Chris Edwards (R)  
James Zygodlo (D)

### Assembly District 20

Ellen Spiegel (D, 63.53%)  
Carol Linton (R)

### Assembly District 21

Andy Eisen (D, 50.59%)  
Derek Armstrong (R)

### Assembly District 22

**Lynn Stewart**  
(R, 82.35%)

Leroy Lalley (IAP)

### Assembly District 23

**Melissa Woodbury**  
(R, 68.13%)

### Assembly District 24

David Bobzien (D, 58.75%)

### Assembly District 25

**Pat Hickey (R, 81.18%)**  
Niklas Putnam (IAP)

### Assembly District 26

**Randy Kirner**  
(R, 91.18%)

Sally Zamora (IAP)

### Assembly District 27

**Teresa Benitez-Thompson (D, 73%)**

Rex Crouch (R)

### Assembly District 28

Edgar Flores (D)

### Assembly District 29

Lesley Cohen (D, 52.94%)  
Stephen Silberkraus (R)

### Assembly District 30

Michael Sprinkle  
(D, 52.94%)

Lauren Scott (R)

### Assembly District 31

Skip Daly (D, 55.29%)  
Jill Dickman (R)

### Assembly District 32

**Ira Hansen (R, 90.59%)**  
John Sharp Sampaga (D)

### Assembly District 33

**John Ellison (R, 78.75%)**

### Assembly District 34

Meghan Smith (D)  
Victoria Seaman (R)

### Assembly District 35

James Healey (D, 60%)  
Brent Jones (R)

### Assembly District 36

**James Oscarson**  
(R, 73.53%)

### Assembly District 37

**Wesley Duncan**  
(R, 78.82%)

Gerald Mackin (D)

### Assembly District 38

**Robin Titus (R)**

John O'Connor (LIB)  
Timothy Fasano (IAP)

### Assembly District 39

**Jim Wheeler (R, 77.06%)**  
Al Giordano (IAP)

### Assembly District 40

**PK O'Neill (R)**  
Dave Cook (D)

### Assembly District 41

Paul Aizley (D, 62.35%)  
Victoria Dooling (R)

### Assembly District 42

Irene Bustamante Adams  
(D, 64.12%)

Howard Scheff (IAP)

## COUNTY

### Washoe County

#### Commission: District 2

**Bob Lucey (R)**

Terri Thomas (D)

### Washoe County

#### Commission: District 3

David Gurney (D)

**Kitty Jung (D)**

### Washoe County

#### Commission: District 5

**John Gavin (D)**

Jeanne Herman (R)

*Continued on page 4*



# CANDIDATES *Continued from page 3*

## CITY

**City of Reno: Mayor (NP)**  
**Raymond Pezonella**  
Hillary Schieve

**City of Reno:  
City Council, Ward 2 (NP)**  
**Elisa Cafferata**  
Naomi Duerr

**City of Reno:  
City Council, Ward 4 (NP)**  
Paul McKenzie  
**Bonnie Weber**

## IMPORTANT DATES

**Oct. 5, 2014 through  
Oct. 14, 2014**  
**VOTER REGISTRATION  
BY PERSONAL  
APPEARANCE OR  
ONLINE** — A person may register to vote during this period only by appearing in person at the office of the County Clerk/Registrar, or online.

**Oct 18, 2014 through  
Oct. 31, 2014**  
**EARLY VOTING  
BY PERSONAL  
APPEARANCE** — During this period, a registered voter may request to vote early in person at designated Early Voting locations.

**Oct. 28, 2014**  
**REQUEST ABSENT  
VOTER BALLOT** — Last day a registered voter can make a written request for absent ballot for the general election.  
  
**Nov. 4, 2014**  
**DAY OF GENERAL  
ELECTION** — The General Election is held. Polls open at 7a.m. and close at 7 p.m.

# NOTIFICATION OF AUTOMATED PROGRAM TO ACCESS DEFICIENCY

**WHEN A REGISTERED TAXPAYER DOES NOT FILE A RETURN**, the Department of Taxation has the authority to determine the amount of unreported taxes due pursuant to NRS 360.300 through 360.400. Beginning in October of 2014, the Department plans to implement a new program to notify and assess a taxpayer who has not filed sales or use tax returns for any period within the statutory period. The assessment will be based on the taxpayer's historic reporting and include, interest, and a failure to file penalty, calculated at 10% of the tax due. (Internally, we refer to this program as a "Best Information Available" or the "BIA" program). The assessment letter will have the terms "INITIAL BILL Delinquent Tax Assessment."

Should a taxpayer receive an INITIAL BILL Delinquent Tax Assessment, it has 45 days to take action. The taxpayer has the following options in dealing with the assessment billing.

1) The taxpayer should file the missing tax return(s) with payment based on its returns. If the taxpayer chooses to file the return, regularly assessed penalties and interest will apply. These should be calculated and remitted with the tax payment.

2) Pay the amount calculated and billed by the Department. If the taxpayer chooses to pay the billed amount, it must pay the entire amount indicated on the INITIAL BILL – Delinquent Tax Assessment that the taxpayer receives.

3) If the taxpayer believes that the Delinquent Tax Assessment has been sent in error, it must call the Department at **(866) 962-3707** to discuss the account.

Finally, if a taxpayer does not respond to the "INITIAL BILL – Delinquent Tax Assessment" within 45 days, an additional 10% failure to pay penalty will be assessed on the base tax amount and the taxpayer is deemed to waive the right to contest the amount.

If you have any questions, please call the Department's Call Center at **(866) 962-3707**.







# THE VICTIM

By James Larsen

## IN RECENT YEARS, SOCIAL PSYCHOLOGISTS HAVE IMPROVED

our understanding of workplace bullying by focusing on the victims of bullying and the groups where they work. This focus away from the individual bully to the social setting has offered both new understandings of bullying and new ways to combat it. Jaclyn Jensen from DePaul University has made the most recent contribution.

Jensen investigated the performance level of victims, the kinds of abuse they experienced, the range of performance within their work groups (from lowest performer to highest), and two victim attitudes: "benevolence" and "entitled." She described a benevolent attitude as a person who is more interested in giving in relationships than receiving which enables a person to be more sensitive and responsive to the frustrations of others. With an "entitled" attitude, people are more interested in receiving than giving and fail to notice or appreciate the feelings of others.

When people work in groups, they bring social needs with them, and they depend upon these groups to fill these

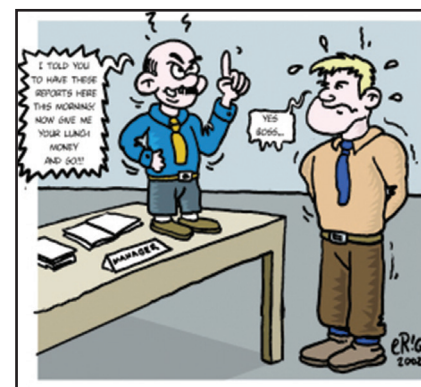
needs. They need, for example, to have everyone contribute. Free riders sow discord. They need to feel liked and to like others. Friends at work are highly valued, and people look forward to seeing their friends. They need to feel worthwhile. High-achieving employees in a group challenge the self-concepts of more average employees who are not as smart or educated or as favored by the boss. Finally, they need to succeed. Groups have important work to do, and when below average employees can't keep up, it endangers the group's success.

Jensen studied 62 work groups of a large midwestern financial services firm with a total of 576 employees. She watched for the emergence of bullying, she found it, and she learned important lessons about conditions that favor it and ones that discourage it.

Bullying emerged when group members varied a great deal in their performance. When this occurred, high performers experienced covert aggression and low performers experienced overt aggression. Covert bullying included silent, hidden acts like withholding critical information, sabotage,

and getting "the silent treatment." Overt bullying included angry confrontations, yelling, and physical aggression, like hitting. Bullying served to "adjust" performance levels, lowering it for high performers and raising it for low performers. At least, that was its intent. Jensen's measurements revealed that the performance of low performers experiencing bullying did not improve, it declined. She didn't measure a decline in performance of high performers, but she believes there was a negative impact.

Jensen discovered that a benevolent attitude eliminated bullying for high-performing employees. They experienced neither overt nor covert bullying. Unfortunately, a benevolent attitude did not help low performing employees. She found that such employees continued to experience bullying, and she wondered if supervisors might be partly to blame. Low performers are a frustration for supervisors, too. Finally, Jensen found the most overt bullying directed at people with "entitled" attitudes, and it didn't matter if they were high or



low performers. Entitled attitudes provoke bullying.

If you replace the term "bully" with "enforcer," then you will begin to grasp the new understanding of bullying. The bully may seem to be a villain, but he is putting into action the desires and needs of the group following the rule that painful lessons are the ones best learned. The bully supplies the pain.

Professor Jensen's work offers business owners two opportunities to discourage workplace bullying. First, you can be careful as you assign people to work groups to reduce the difference between high and low performers, and second, you can encourage everyone to adopt "benevolent" attitudes at work, especially high performers who are experiencing bullying. Finally, low performers may need your special compassion. ■

Reference: [businesspsych.org](http://businesspsych.org)



# Information about the Margin Tax Initiative

NEVADA  
2014  
STATEWIDE  
BALLOT INITIATIVE

The Margin Tax Initiative is a complex tax increase proposal that will appear on Nevada's 2014 statewide general election ballot.

The proposed initiative would impose a huge new tax on both Nevada's major employers and on thousands of small businesses throughout Nevada.

It's so poorly written that it would force many small businesses that are losing money to pay higher taxes, and it does nothing to guarantee that the Margin Tax revenues would actually be used to improve Nevada's educational system.

As a result, the Margin Tax Initiative would cause our state to lose many existing businesses and jobs, and make it harder to attract new ones – without ensuring better schools for our children.



*"This tax is not based on the ability to pay. As a result many small businesses will find their profits wiped out. For any businesses hurt by this economy that have been struggling to keep their doors open, this tax may prove to be the proverbial straw that breaks the camel's back."*

— Nevada Taxpayers Association

## The Margin Tax Initiative is a giant tax increase that would hurt Nevada's large employers and thousands of small businesses

### Would apply to both major employers and small businesses.

Under the Margin Tax Initiative, every business with total GROSS revenues exceeding \$1 million per year would be subject to a new 2% Margin Tax – regardless of whether any of that revenue is actual profit.

Overall, it would dump a massive \$750 million increase on the costs of doing business for Nevada employers. That would severely damage our state's already struggling economy and job market.

### Deeply flawed and unfair tax system.

Proponents claim that the \$1 million gross revenues threshold protects small businesses. But in reality, the Margin Tax Initiative would hurt thousands of small businesses in Nevada that have total annual gross revenues of over \$1 million but also have high overhead and very small profit margins – such as family-owned restaurants, medical clinics, daycare centers, repair shops, veterinarians, janitorial services, ranches, and farms.

It would only allow businesses to deduct *some* of their actual costs from the revenues subject to the tax. For example, they could deduct their costs of goods or their payroll costs, but not both.

Another flaw in the measure is that it would create a "fiscal cliff." A business making one penny less than \$1 million in gross revenues would pay no tax. A business that grossed one penny more than \$1 million would pay the 2% Margin Tax based on the entire million. These small businesses would even have to pay the tax in years they make NO profit. The extra burden of the proposed Margin Tax would force these companies to cut jobs, and could even put many of them out of business.

### Costly state bureaucracy and lawsuits.

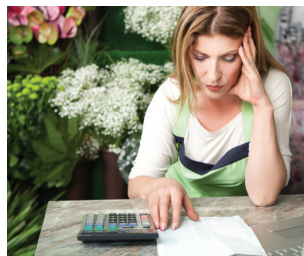
The Margin Tax Initiative contains 84 sections of complicated legal and technical language that would create a logistical and legal nightmare for businesses to navigate.

The initiative language doesn't even match federal tax compliance definitions, so businesses would now be required to maintain two sets of books, one for federal law and one for the new Margin Tax.

It would cost millions of taxpayer dollars for the state government to interpret and implement the Margin Tax Initiative, and it would tie the state up in lawsuits for years due to the legal complexities and drafting ambiguities.



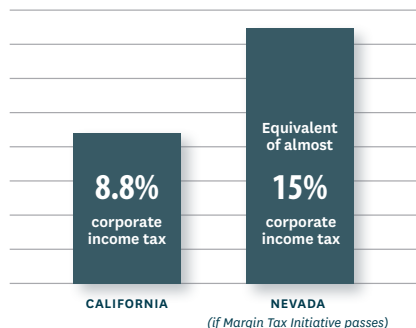
## The Margin Tax Initiative: Deeply flawed and very costly



### The Margin Tax Initiative would make Nevada's business taxes among the highest in the US

Imposing the initiative's tax on top of the state's existing Modified Business Tax would create the equivalent of an almost 15% state corporate income tax – nearly twice as high as the corporate income tax rate in California.

In fact, for businesses, the Margin Tax Initiative would make Nevada one of the highest taxed states in which to operate. This would severely damage our state's struggling economy, cause the loss of thousands of existing jobs and make it nearly impossible to attract new businesses and jobs to Nevada.



*If the Initiative passes, Nevada would have the equivalent of an almost 15% corporate income tax.*

(Source: Study by Jeremy Aguero, Applied Analysis, Jan. 2014)

### The Margin Tax Initiative has **NO** accountability or oversight provisions to make sure money goes to the classroom

#### No guarantee of more money for education.

We all want to help our schools, but the Margin Tax Initiative does nothing to guarantee more money for education.

Technically, the dollars generated from the measure would be put into the “Distributive School Account,” which is used to fund K-12 education. However, under the initiative, the state legislature could simultaneously take money from the regular budget away from education to fund other things. The District Court held in October 2012 that “the initiative does not prevent the Legislature from supplanting existing educational funds with the margin tax.”

#### No plan of action or accountability.

Even if the legislature decides that education should get more money through the Margin Tax, the initiative provides no plans or requirements to ensure that its revenues go to the classroom instead of into the hands of bureaucrats. How and where the new tax money is spent would be left up to elected officials and school administrators, without any oversight, reviews, or accountability.

### State government could increase the tax rate – without a vote of the people.

There are no checks and balances in the Margin Tax Initiative. Although the initiative sets the initial tax rate at 2% and sets the threshold for liability at \$1 million in gross revenue per year, the legislature would have unlimited authority, after three years, to: increase the tax rate, lower the revenue threshold at which it must be paid, or broaden the tax to apply to even more businesses – without any further vote of the people.

### The Margin Tax Initiative would hurt all Nevadans by damaging our economy and increasing consumer costs

#### Would threaten jobs.

Nevada's unemployment rate is still one of the highest in the nation and the Margin Tax Initiative would only make it worse. Large employers like gaming companies, banks, hospitals, and manufacturing companies would be forced to lay off workers, and many small businesses would be forced to downsize or close altogether. This would damage Nevada's economy and drive unemployment even higher, hurting every business, employer and family in the state.

#### Higher consumer costs.

The Margin Tax Initiative would impose a new 2% tax on revenues generated by almost all types of goods and services sold in Nevada, including: food, clothing and other retail store products; gas, electricity and telephone services; prescription medicines sold by pharmacies; and, medical care provided by doctors and hospitals. Ultimately, the providers of these goods and services would pass on some or all of their tax increase to Nevada consumers.

*“The [Margin Tax] would wipe out the profits of some companies, and even struggling, money-losing businesses would have to pay the tax. To inflict such punishment on companies after five years of economic weakness and nation-leading unemployment would be unconscionable.”*

— Las Vegas Review - Journal Editorial, June 2013

### About the Coalition to Defeat the Margin Tax Initiative

A statewide coalition representing thousands of small and large employers, farmers, ranchers and other concerned Nevadans has been formed to mount a campaign urging a **NO** vote on the Margin Tax Initiative.

To join our coalition, make a donation or to get more information about the Margin Tax Initiative, please visit [StoptheMarginTax.com](http://StoptheMarginTax.com), call us at (877) 359-5099 or email us at [info@StoptheMarginTax.com](mailto:info@StoptheMarginTax.com).





# Nevada Notes

## CARSON CITY TAX RATE INCREASE

Effective October 1, 2014 the Sales and Use tax rate for Carson City County will increase from 7.475% to 7.60%. The Carson City Board of Supervisors approved an ordinance raising the Sales and Use tax rate by 0.125%.

Those who collect and remit sales and use tax will need to make changes to business processes as necessary in order to collect tax at the new rate. Businesses should be sure to file the most recently updated tax return forms. Filing online is the best option to take advantage of the most up to date tax rates. Tax Returns are also sent in the mail or can be located on our website at <http://tax.nv.gov>

*Dept. of Taxation*

## RETAIL, OFFICE SECTOR ON TRACK FOR BEST YEAR IN DECADE

Retail is rising, the office sector has improved and the industrial market is on track for its best year in nearly a decade.

That's the word from the local offices of brokerage Colliers International, whose second-quarter report showed marked gains among all commercial real estate submarkets.

Consider retail, which had its vacancy rate fall to 9.1 percent, down from 9.5 percent in the first quarter, driven by a statewide industry

job gain of 5,800 positions year over year in April. The pace of investment sales was white-hot in the first half of the year, with sales of 15 centers totaling 732,844 square feet and more than \$94 million in sales volume, the Colliers report said.

*LVRJ*

## MARKETERS NEED TO STEP UP THEIR GAME WITH MILLENNIALS...

Even casinos...Spark, a Chicago-based media company that, among other things, assesses branding and marketing to different generations, believes that changes will have to be made if casino companies want to succeed at attracting Millennials.

The Millennials, born between 1982 and 2004, is now the largest living generation of consumers, some of whom are entering their prime earning and spending years, and have philosophies about life that are far different from the Baby Boomers that have been the key demographic casinos have targeted for years.

Having lived through a recession, they're optimistic about the future and they thrive on trying something new. They find risk-taking exciting, enjoy VIP treatment, will listen to celebrity endorsements and will look to their friends and third-party sources on social media for recommendations about

products and experiences and will gladly share their own opinions about things in online reviews.

*LVRJ*

## PUSH TO TAX ONLINE SALES HEATS UP

Online retailers aren't required to collect state sales taxes if they don't have a physical presence in a state, giving Internet sellers an edge over storefront businesses. In Nevada, the state sales tax is 6.85 percent. Taxpayers are supposed to pay it when they file their annual returns, but few do unless the IRS comes calling.

Lawmakers in Washington and in Carson City are pushing this year for passage of the Marketplace Fairness Act, which would require online sellers to collect state sales taxes. The proposed legislation will be considered during the lame-duck session following the Nov. 4 election.

A majority of Nevadans supports the idea of paying sales taxes when they buy goods online, according to a new poll commissioned by the International Council of Shopping Centers.

*LVRJ*

## CITIES, COUNTY JOIN IN PERMITS, LICENSES

In a collaborative effort, the cities of Reno and Sparks, Washoe County and the Health District are in the process of introducing a new regional online system

that will make it easier for customers to obtain permits and renew business licenses. Additionally, city and county staff will be able to provide real-time updates from the field, such as code enforcement and building inspections, using their mobile devices.

The Regional License and Permit Program, powered by Accela, has a target go-live date of January 2016. Regional partners have been developing the work plan objectives initially approved by an elected officials committee in June 2012.

*RGJ*

## KOHL'S PLANS TO HIRE 400 SEASONAL WORKERS IN LAS VEGAS

Kohl's Corp. plans to hire more than 67,000 seasonal workers nationwide for the holiday shopping season, which the company said is a 15 percent increase over last year.

The company said in a news release that it plans to hire about 50 seasonal associates per store and will also offer positions within its distribution centers and credit operations.

According to Sydney Hofer, public relations senior coordinator for the company, that means about 400 seasonal workers will be hired in Las Vegas.

Kohl's plans to hire about 600 seasonal workers

*Continued on page 11*





# National Notes

## THE NEW CONSUMER PSYCHOLOGY

Technology isn't just changing how we shop; it's changing how our brains actually work. In a special members-only keynote at the Shop.org Summit, Kelly Mooney, CEO of digital marketing agency Resource, chatted with consumer psychologist Kit Yarrow about what's really going on inside the heads of consumers. Yarrow covered the topic in depth in her new book, *Decoding the New Consumer Mind*.

Yarrow's research uncovered a few important themes that can help retailers better know their customers.

### Lack of Trust

Going online helps people trust a brand. But when brands aren't consistent across channels, the consumer may feel tricked, compounding her feelings of mistrust.

### Neurological Changes

Finding a good deal or the perfect pair of shoes releases a bit of dopamine in our brains and makes us feel good.

### Our Brains Are Wired for Speed

Regardless of age, people are skimming more and reading less. For retailers, this means the smallest barriers could become costly ones. Hassle-free shopping is

more important than ever before.

### Radical Individualism

Consumers are looking for something that feels uniquely for them and brands that seem to authentically understand them. Consumers are looking to be seen and feel special.

NRF

## RECORD BREAKING HALLOWEEN

More costumes than ever will be flying off the shelves as Americans gear up to celebrate the spookiest holiday of the year, according to NRF's Halloween Consumer Spending Survey conducted by Prosper Insights & Analytics. More than two-thirds (67.4%) of celebrants will buy Halloween costumes for the holiday, the most in the survey's 11-year history.

According to NRF's 2014 Halloween Consumer Top Costumes Survey, an estimated 2.6 million children plan to dress up as one of Disney's Frozen characters, while about 1.8 million children will dress as one of the re-imagined classic characters from Teenage Mutant Ninja Turtles. Princess (3.4 million), animal (3 million), and Spider-Man (2.6 million) will be other popular choices for

children.

The survey also found 75 million adults will dress in costume, and most will stick to traditional options, including a witch (4.8 million), animal (2.6 million), Batman character (2 million), and pirate (1.8 million)

Findings revealed that among the 14.3 percent of celebrants planning to outfit their pets, 10.8 percent will dress their furry friends as a pumpkin, the top costume again this year. Fido and fluffy will also be found disguised as hot dogs, devils, bumble bees, and cats.

Americans are expected to spend \$2.8 billion on Halloween costumes according to NRF's Halloween Consumer Spending Survey. Specifically, consumers will spend \$1 billion on children's costumes, \$1.4 billion on adult costumes, and \$350 million on pet costumes. Total Halloween spending is estimated to reach \$7.4 billion this year, with the average person spending \$77.52 on indoor and outdoor décor, costumes, and candy.

NRF

## CALIFORNIA BECOMES FIRST STATE TO BAN PLASTIC BAGS

Gov. Jerry Brown on Tuesday signed the

nation's first statewide ban on single-use plastic bags at grocery and convenience stores, driven to action by pollution in streets and waterways.

A national coalition of plastic bag manufacturers immediately said it would seek a voter referendum to repeal the law, which is scheduled to take effect in July 2015.

Under SB270, plastic bags will be phased out of checkout counters at large grocery stores and supermarkets such as WalMart and Target starting next summer, and convenience stores and pharmacies in 2016. The law does not apply to bags used for fruits, vegetables or meats, or to shopping bags used at other retailers. It allows grocers to charge a fee of at least 10 cents for using paper bags.

The American Forest and Paper Association, a trade group representing paper bag makers, says the bill unfairly treats their commonly recycled products like plastic, while holding reusable plastic bags to a lower standard for recyclable content.

Responding to the concerns about job losses, the bill includes \$2 million in loans for plastic bag manufacturers to shift their operations to make reusable bags.

Continued on page 11



## 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.

- |   |   |  |
|---|---|--|
| Anise LLC dba Anise Tapes & Grill LLC             | • L 3 Insurance Advisors LLC                                      | • Ricardo & Irma (Mariana) Estrade dba Express Systems                   |
| Battle Born Auto Body LLC                         | • Las Vegas Locksmith LLC dba MX Locksmith                        | • Southwestern Management Team LLC                                       |
| Carl Owens, LLC dba Bark Place                    | • LC Providers Inc.   | • Team Clips Inc.  |
| Carson Nugget, Inc                                | • Maccabee Arms LTD   | • The Dog House LLC dba Dog Days Las Vegas                               |
| Carson Tigersharks                                | • Main Street Preschool LLC                                       | • The Synergy Plan LLC   |
| Clinical Solutions LLC                            | • Michael's Cycle Works Inc.                                      | • TLC Nevada Inc dba Tonopah Liquor                                      |
| Downtown Hipster LLC dba Mingo Kitchen & Lounge   | • Modesta Stephanie LLC dba Euphoria Salons & Day Spas            | • United Nevada Industries Inc. dba HSI/WARC                             |
| Fischer's Auto Body LLC                           | • Nevada Restaurant Service Inc. dba Laughlin River Lodge         | • V&V Entertainment LLC dba Superior Cleaning & Restoration of Las Vegas |
| Green Valley Range, LLC                           | • Nevada State Board of Podiatry                                  | • Vet to Pet, Inc.   |
| Honest Air, Inc                                   | • Nevada State Board of Professional Engineers and Land Surveyors | • Vino Tini, LLC   |
| James Baumann dba Ace Cycle Service & Supply      | • Petrix Inc dba Cheyenne West Animal Hospital                    | • WFTLV, LLC dba Wahoo's Fish Taco                                       |
| Jay & Jo Enterprises LLC dba Pinnacle Restoration |   |  |
| Joey Gilbert & Associates LTD                     |   |  |
| JTM Training Group LLC                            |   |  |
| Key Sales Inc. dba Tavern Products                |   |  |

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.





*"Workers' comp that works for you"*

### Take Control of Your Workers' Compensation through the Self Insured Group Administered by Pro Group

- Increased workplace safety
- Effective claims management
- Lower claims cost
- Reduced rates
- Full Control of your coverage
- Help you retain your profits
- Protect your Employees
- Comply with State Regulations
- Pay-as-you-go with no annual deposits or renewals
- Reduce interruption in production and services
- Management, Supervisor, and Employee Training

Talk with one of Pro Group's specialists today. Give them a call at **(800) 859-3177**, Monday - Friday 8:00 a.m. to 5:00 p.m. or email at [info@pgmnv.com](mailto:info@pgmnv.com).

**www.pgmnv.com** | [info@pgmnv.com](mailto:info@pgmnv.com)

**Carson City Office**  
575 S. Saliman Road, Carson City, NV 89701  
(800) 859-3177 or (775) 887-2480

**Las Vegas Office**  
175 E. Reno Avenue, Suite C9, Las Vegas, NV 89119  
(800) 480-1846 or (702) 740-4380

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

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

10 ♦ or the RAN office at 775-882-1700 (toll free in Nevada 800-690-5959). Don't forget to check out our website, [www.RANNV.org](http://www.RANNV.org).



## NEVADA NOTES *Continued from page 8*

in Nevada. According to the release, hiring is underway for the store positions and most of the jobs will be filled by mid-November.

*LV Sun*

### HENDERSON POLICE NAB 3 SUSPECTS IN RETAIL STORE ROBBERIES

Three suspects are in custody in connection with a month-long string of retail store robberies in Henderson and Las Vegas.

Two of the suspects

entered the business at about 3 p.m. and ordered the three employees into the back room where they were bound, police said. One of the suspects had a gun.

After taking several gaming systems and an unknown amount of cash from the store, the two suspects fled in a getaway vehicle driven by a third suspect, police said. The suspects were linked to two other robberies in Henderson and two other robberies

in Las Vegas. Metro Police helped Henderson Police identify the suspects through an analysis of surveillance videos.

*LV Sun*

### RENO 'PINK SCOLARI'S' SUPERMARKET TO CLOSE

The Scolari's supermarket empire is down to nine stores in Northern Nevada. Family-owned Scolari's Food & Drug Co., whose reach once encompassed 19 supermarkets in Nevada and California, said it will close its

"Pink Scolari's" store at 8165 S. Virginia St. on Oct. 31.

The store had operated for 27 years and currently employs a staff of 48.

In a news release, Scolari's announced, "After 27 years of operation in this location, the difficult decision to close was based on a number of business factors. If positions are available, store associates will be offered jobs at other Scolari's locations."

*RGJ*

## NATIONAL NOTES *Continued from page 9*

Lawmakers of both parties who opposed SB270 said it would penalize lower-income residents by charging them for bags they once received for free. The bill was amended to waive fees for customers who are on public assistance and limit how grocers can spend the proceeds from the fees.

*WSJ*

### SENATE BILL TO CURB PRESCRIPTION DRUG ABUSE, SAFEGUARD PATIENTS

The National Association of Chain Drug Stores (NACDS) offered its support for new legislation — S. 2862, the Regulatory Transparency, Patient Access, and Effective Drug Enforcement Act of 2014 — which calls for a collaborative, coordinated

approach to curbing prescription drug abuse and safeguarding patients. The bill would establish a congressionally mandated report from the Department of Health and Human Services (HHS), facilitated in consultation with the Drug Enforcement Administration and the White House Office of National Drug Control Policy.

The report would identify obstacles to legitimate patient access to controlled substances, issues of diversion of these products, and opportunities to better coordinate federal, state and stakeholder activities that can reduce prescription drug abuse without compromising access to medications for patients who legitimately need them. Stakeholders,

including pharmacy, will also have an opportunity to provide feedback and recommendations as part of the report process.

This Senate bill largely mirrors the House bill, H.R. 4709, Ensuring Patient Access and Effective Drug Enforcement Act of 2014, which was introduced earlier this year and passed the House in August. It was also backed by NACDS.

*Press Release*

### OCTOBER — AMERICAN PHARMACISTS MONTH

CVS Health is thanking its 26,000 pharmacists during October's American Pharmacists Month for their role in changing the way health care is delivered to increase access, lower costs and improve quality in the Company's retail pharmacies, mail service

pharmacies and specialty pharmacies nationwide.

"Last month, we changed our company name to CVS Health to reflect our broader health care commitment and our expertise in driving the innovations needed to shape the future of health," said Larry Merlo, President and CEO of CVS Health. "Our pharmacists are playing a critical role in our evolution, delivering breakthrough products and services and enabling patients and clients to manage health in more affordable, effective ways through medication adherence programs, specialty pharmacy services and other innovative pharmacy programs we are developing."

*Press Release*





Retail Association of Nevada  
410 South Minnesota Street  
Carson City, Nevada 89703-4272

PRESORTED  
STANDARD  
U.S. POSTAGE PAID  
RENO, NV  
PERMIT NO. 931

## NEVADA NEWS

Nevada News is published by the Retail Association of Nevada, a nonpartisan, nonprofit corporation founded in 1969 representing the Retail Community, the Chain Drug Council and the Grocery Industry Council.

Mary F. Lau  
*President/CEO*

Elizabeth MacMenamin  
*Vice President of Government Affairs*

Lea Tauchen  
*Senior Director of Government Affairs*

Bryan Wachter  
*Director of Public and Government Affairs*

Amanda Schweisthal  
*Government Affairs Analyst*

Piper Brown  
*Office Manager*

Mike Olson  
*Account Executive / Workers' Comp*

Ande Engleman  
*Newsletter Editor*

Sue Arzillo, Alphabet Soup Inc.  
*Newsletter Design & Layout*

# WASHINGTON RETAIL INSIGHT A STRONG TURNOUT FROM THE BUSINESS COMMUNITY COULD MAKE THE DIFFERENCE

**N**RF JOINED SOME OF WASHINGTON'S OTHER

top trade associations in launching a voter registration drive intended to encourage private sector employees to participate in this fall's elections.

"This is all part of making sure that our members and (their) employees are as engaged as possible because elections really do have consequences," NRF Senior Vice President for Government Relations David French said. "Any of these races could be decided by a few hundred votes, so a strong turnout from the business community could

make the difference between a candidate who understands our concerns and a candidate who's tuned to other voters' interests."

French spoke during a news conference at NRF headquarters in Washington, where he was joined by officials from the National Federation of Independent Business, the National Association of Manufacturers, the Associated General Contractors of America and the Business-Industry Political Action Committee.

Working with more than 90 companies and organizations, NRF said the effort is ongoing between now and the November

4 elections. A website at **EmployeesVote.org** allows workers to register to vote and provides information such as deadlines and polling locations. More than 40,000 voter application forms have been downloaded from the site.

"The initiative will not tell employees how to vote or who to vote for but instead aims to serve as a resource to help employers educate their employees about the issues that are important to their industries," the groups said in a statement.

The effort ties in to NRF's own Vote Retail campaign. A resource center at [nrf.com/voteretail](http://nrf.com/voteretail) offers information on

key public policy issues facing the retail industry, the results of questionnaires NRF has sent to candidates, questions retailers can ask candidates themselves and links allowing retailers to register to vote and find their polling places.

The resource center covers topics including Internet sales tax collection, comprehensive tax reform, the Affordable Care Act, immigration policy, international trade, National Labor Relations Board efforts to make it easier to unionize retail stores and frivolous lawsuits filed against retailers over dubious patent claims. ■