

## Assembly

MINUTES OF HEARING - ASSEMBLY JUDICIARY COMMITTEE, 53rd Session, April 1, 1965

Meeting was called to order at 12:10 P.M.

Present: Close, Delaney, Rosaschi, Parsons, Knisley, Olsen, Jacobsen, Swobe, Kean

None absent.

Mr. Close explained that the purpose of the hearing was to discuss the pros and cons of the proposed amendment to SB 299.

Ed Olsen, Gaming Control Board, Mr. Feldman, Casino Employees Union, Russ McDonald, Senator Parks, Assemblymen Alleman and Petrini, and a number of others were present for the hearing.

Mr. Close asked Mr. Olsen what he thought of the amendment.

Mr. Olsen replied that the Board can live with the amendment. He said it would afford a man who is denied a work permit a judicial review. He suggested the Committee might also want to give a judicial review to a man who already has a work permit and is denied a renewal.

Mr. Swobe said he thought they should both be the same.

Mr. Close: Are there any provisions for revocation in this bill?

Mr. Olsen: Not in this bill. The only way we have of handling this is: 1. Refusal to renew 2. Go to the employer and tell him not to use a certain man anymore. 3. If the employer doesn't comply, then there would be a hearing for the employer.

Mr. Feldman: If a man is caught and proved to be a cheat his work permit could not be revoked but they could refuse to renew it. He could run all over and work everywhere until it runs out. Should be able to revoke his work permit immediately, after a hearing. A man can run around and do extensive damage in a week, let alone a year. The state should have this power of immediate revocation for the protection of the State Gaming Industry.

Mr. Olsen: Anyone who has been proved to be a cheat can be denied employment.

Mr. Feldman: Only through the employer. Would it not be more beneficial to the Gaming Industry if they could revoke work permits?

Mr. Olsen: No

Mr. Feldman: The amendment is good. We favor it. No one can deny the fact that one of an American citizen's rights is to employment and the right to provide for his family. If he is denied this right to employment then we want him to be entitled to a hearing. Then if the Court says "no" we are all for it. Fine. This

is not to do with any union activities. It pertains only to the man's rights as an American citizen.

Mr. Close asked Mr. Russ McDonald to give a legal interpretation.

Mr. McDonald: Gambling is subject to the police regulation and therefore doesn't come exactly under the same conditions as regular employment. If you draft the amendment you will have the judicial review. The amendment sets forth an administrative review also, so you have the two types.

Mr. Swobe: Would it be workable if we were to put the employee on the same level as the licensee?

Mr. McDonald: It would be possible. There would be nothing legally bad. This doesn't go so far now as the licensee. Three facets missing: 1. Not within the power of the Court to remand back to the Commission for further evidence. 2. Full Commission review. 3. Protection of the employee. He does not have to come to the Court in Ormsby County to file his petition. He can file in the County of his residence.

Mr. Kean: Does this go more to the employee than it does to the licensee?

Mr. McDonald: Yes, it does.

Mr. Feldman: There seems to be a general impression, even with the Governor, that a man has a right to a hearing now. This is not so.

Question was asked: Does this bill provide for any kind of a judicial hearing?

Mr. McDonald: The bill as originally drafted does not.

Mr. Feldman: A man is entitled to a hearing. Perhaps he can prove himself innocent. We do not want to protect thieves. I have talked with three unions, AFL-CIO, The Culinary Workers Union, and the three locals of the teamsters union. They all feel that we should have this entitlement to a day in court.

Mr. Petrini: Mr. Olsen, have you had much trouble with this in the past, with the dealers and so forth?

Mr. Olsen: Yes. There is a hole in our present set-up. About 90% of our denials are to employees, about 10% to employers. The employee is not harmed by the revocation of a business license. But when it is the employee's fault, we are not able to revoke his license. We do not even know where he is until we happen to find him. We are not concerned at this time with protecting an employer against a dishonest employee. We are wanting to protect the public.

Mr. Kean: Mr. McDonald would you discuss "gambling is a privileged business"?

Mr. McDonald: This attempt to register the dealer has been tried since 1955. There are three types of work permits: Under city ordinance, under county ordinance, under State Board. There was a case in Reno, Wallace versus the City of Reno, in which the Court held that selling liquor was not an inherent right--it was a privilege.

We can't bandy around constitutional privileges.

Mr. Feldman: From the employer's standpoint, this is a privileged business. As far as labor's standpoint is concerned, these people are people working for a salary and this is not necessarily a privilege. Once a man gets his hearing and is proved guilty, then we are through with him. There are thieves in any business. They are all entitled to a fair hearing. Why would anyone have any objection to a fair hearing? The way this bill was drawn up a man can't have a fair hearing. We want him to be able to go in and tell his story. We think that amending to do this will actually make the bill stronger.

Senator Parks: The bill was drawn up with the specific purpose to give the man two hearings. This is provided on page 2, line 47, and line 5.

Mr. Feldman: Would you consider this hearing by the Game Commission to be an impartial judicial hearing?

Senator Parks: It would be a quasi-judicial hearing. Many times the Gaming Commission has overruled the Gaming Control Board. I think we are doing as much for the employee as for the employer in this bill.

Mr. Feldman: Both hearings are by the Gaming Control Board and the Gaming Commission. The work permits will go for a year and then will be renewed or denied. The ones that are going to be denied are the ones that we are worried about.

Mr. Olsen: The administrative hearing that is provided in the bill as originally introduced differs to the employees advantage. It requires an unanimous decision by the Board to deny a license, in present law. Not so in this bill, just a simple majority.

Mr. Feldman: Every American citizen is entitled to his day in court where evidence can be shown in an impartial hearing.

Mr. Petrini: Right now the employer is on the same level as the employee. No provision for going to court.

Mr. Olsen: He could go before the Board.

Mr. Jacobsen: Are we putting the Gaming industry in jeopardy by not adopting these amendments?

Mr. Olsen: No. We might be by not adopting the bill itself.

Mr. Alleman: Are we or are we not putting the gaming industry in jeopardy by adopting these amendments?

Mr. Olsen: You might put the gaming industry in jeopardy. I can't say positively.

Mr. Alleman: Since these people have been given rights of a union they should be treated the same as any other union.

Meeting adjourned 1:45 P.M..