

## SENATE JUDICIARY COMMITTEE

## MINUTES

Meeting called to order at 9:00 a. m. on April 1, 1969 by Senator Monroe, Chairman.

Members present: Senator Monroe, Chairman  
Senator Swobe  
Senator Dodge  
Senator Hug  
Senator Bunker  
Senator Christensen  
Senator Young

Guests: Paul Garwood, member Equal Rights Commission  
Charles Munson, Secretary Nevada Gaming Assoc.  
Joseph McNamee, Attorney, Las Vegas, Nevada.  
Robert Fielding, Architect, Las Vegas, Nevada.  
Thomas Turner, Engineer, Las Vegas, Nevada.

Legislative Counsel: Frank Daykin

AB 495 - Declares that checks given or accepted in licensed gaming are enforceable.

Mr. Munson felt there were pro and con arguments for this. The main problem with collecting was outside the State. When you confronted an attorney from another state the first thing they asked was how did they expect to collect for a gambling debt when they could not even collect it in Nevada. It presented a public image problem. Other states feel that gaming is not legal so they would like to have legislative procedure to back them up. Gambling debts should be placed in the same category as other debts as long as gambling is legal in this state. There is no gambling done on credit. Either cash or chips have to be used. People can cash a check in an establishment and say it was for gambling and never go near a gambling table. The Gaming Association felt there was nothing harmful in this.

Senator Young asked if Mr. Munson didn't feel this would create ill will. He asked what percentage of checks cashed was spent on gambling - about 95%?

Mr. Munson stated far less than that. Cashing checks was done as a convenience to the customer and was considered a part of the

public service to customers.

Senator Monroe asked what method they would use for collecting outside the state. Mr. Munson advised it could be thru a collection agency or even thru court procedure. As long as checks are exchanged for cash it is open to litigation in other states. A lot of the large debts are settled by compromise.

Senator Young asked how they would defend themselves. With the free drinks and give-a-way programs to draw people into the casinos they encouraged people to gamble. He felt gambling was a compulsive action and the industry was placing them in a position they could not help.

Senator Monroe asked if there were any further questions. Mr. Munson left the meeting.

SB 288 - Provides in detail separate hearing procedure for Nevada commission on equal rights of citizens.

Mr. Paul Garwood, member of the Equal Rights Commission was present to be heard on SB 288. He stated two members of the Attorney General's Staff, Don Winne and John Spann studied this carefully and both attorneys recommended to the Equal Rights Commission for a recommendation that the Judiciary Committee "Do not pass". They felt this was duplication of the Administrative Procedures Act and would only complicate the procedures. It would require more professional legal help for the commission and the the people appearing before the committee. It would be very expensive to both, and the Equal Rights Commission request "do not pass".

Chairman Monroe asked why they could not get one of their attorneys to testify before the committee on this.

Mr. Garwood advised Mr. Spann lived in Las Vegas and Mr. Winne was sick with the flu, however if the committee wanted he was sure Mr. Winne could appear at the end of the week.

There was discussion concerning a hearing held in Las Vegas by the Equal Rights Commission and the previous testimony of Mr. Ashelmant. Mr. Garwood felt the Commission members were now more experienced and would probably not require so many individuals to testify at a hearing in the future and it would not be as costly. This is a volunteer commission and they are eager to do a good job but needed a little experience in the procedures of a hearing. He felt there would be no future problems along this line.

Mr. Daykin came in to the meeting at this time. Senator Young asked if other states had set regulations like this.

Mr. Daykin advised this was taken from the California Administrative

Procedures Act. He did not feel this added anything but merely strengthened the present statute.

Senator Dodge was not in favor of singling out one special commission and setting forth procedures for them. He felt if this was not taken care of in the Administrative Procedures Act then that Act should be looked into.

Senator Young was concerned with a statement by Mr. Ashelmant that the charges made by the Commission were not specific but were quite general and also felt that this added to the cost of the hearing if this was correct.

Mr. Garwood advised the original charge was not specific but it was later changed and a specific charge was brought in.

Chairman Monroe felt they were dealing with a sensitive area and felt the responsibility of the commission should be taken seriously and be sure the hearings are not used for harassment. He suggested the committee discuss this further at a later date and that the Commission should set up standard procedures of their own to follow.

Mr. Garwood thanked the committee and left.

SB 217:- Permits architects and professional engineers to join in formation of professional corporations.

Mr. Joe McNamee presented suggested amendments to the committee which would strike out all of section 2 and 3 and add: 623.350. Nothing in this chapter shall be construed as preventing firms, partnerships or associations of architects and engineers from practicing as such, provided each member of such firm, partnership or association is registered under the provisions of this chapter, or chapter 625 of NRS.

This change would treat architects and engineers as one, mainly for tax benefits. They are now permitted to incorporate separately but are not allowed to incorporate as one corporation with members being both architects and engineers. They work together and their work is not independent of each other. An architect is always required in the construction of commercial buildings and many of them work out of the same firm or company. They should be treated as a single service. There was a restriction in the Architects act preventing incorporating with engineers however there was nothing in the engineer act to prevent them from incorporating with architects. They considered the professional acts but thought handling the change would be less objectionable if done as provided in SB 288.

## Senate

## Judiciary Committee Minutes

April 1, 1969

-4-

Mr. Thomas Turner, Engineer from Las Vegas stated he was associated with a firm consisting of both engineers and architects. He felt it was hard to separate their standard methods of operation. It was done in many states.

Mr. Robert Fielding, Architect from Las Vegas stated he would like the opportunity of being associated with an engineering firm. Corporations formed of architects and engineers outside the state could come into Nevada and operate as a single firm.

Chairman Montoe asked if this was peculiar to Nevada law.

Mr. Daykin advised this was done in many states, California, Connecticut, Massachusetts previously.

There was considerable discussion between Mr. McNamee and Mr. Daykin as to the proper way to amend.

Senator Dodge moved to amend both sections (as agreed upon by Mr. McNamee and Mr. Daykin) and recommend Do Pass.

Senator Swobe seconded the motion.  
Motion carried unanimously.

SB 486 - Requires attorney general to defend certain public employees or former employees.

Mr. Daykin checked the California statute and it provides the Attorney General will defend the employee provided he be notified in writing ten days before the trial. The state pays for the defense unless the attorney general finds the employee has acted with malice, etc. There is no limit on pecuniary liability.

New York restricts its defense by the attorney general to doctors and nurses.

Senator Young asked if the "conflict of interest" was mentioned in other states. Mr. Daykin advised there was no mention of it in the federal laws. He did not know about the states.

Mr. Daykin questioned that placing a limit of liability was constitutional. He did not think it would be upheld in court.

Senator Dodge asked Mr. Daykin if he thought there would or could be a conflict of interest if it were stated that the attorney generals office were to defend all employees.

Mr. Daykin suggested "unless the employee is acting outside the scope of his employment."

Senator Young would like to strike out the limit of liability in Section 4 and also strike section 6, requiring the plaintiff to put up a bond.

Mr. Howard Barrett was asked to come in to advise the limits of liability carried on the state automobile insurance policy. He advised the limit was \$25,000, however it did not cover the individual, only the state.

Senator Dodge suggested to amend the bill to provide for defense by the state for an employee acting within the scope of his employment and provide the state would protect the employee to whatever the limit of insurance policy that may be carried. This was agreeable to all.

Senator Swobe moved to amend and recommend do pass.

Senator Young suggested Section 6 be removed. This also was agreeable to all.

Senator Swobe moved to further amend and recommend do pass.  
Senator Young seconded the motion.  
Motion carried unanimously.

Mr. Daykin will prepare the amendments.

AB 495 - Declares that checks given or accepted in licensed gaming are enforceable.

Senators Bunker and Young both stated they were opposed to this.

Senator Dodge moved to "Hold".  
Senator Swobe seconded.  
Motion carried.

SB 171 - Enables any qualified person to be reporter for jury trial.

Chairman Monroe had a letter from Mr. Alex Kemper in opposition to this bill.

Senator Dodge moved to concur with Mr. Kemper's opposition.  
Senator Swobe seconded the motion.  
Motion carried.

SB 288 - Provides in detail separate hearing procedure for Nevada commission on equal rights of citizens.

Senator Bunker moved to "Hold"  
Senator Hug seconded.  
Motion carried unanimously.

Meeting adjourned at 11:00 a. m.