

MINUTES

Meeting called to order at 9:30 a. m. on April 3, 1969 by Chairman Monroe.

Committee members present: Senator Monroe, Chairman
Senator Swobe
Senator Christensen
Senator Hug
Senator Dodge
Senator Young

Committee member absent: Senator Bunker

Legislative Counsel: Frank Daykin

Guests: Ronald F. Sypnicki, Attorney, Sacramento, California
Lloyd O. Clark, Metro Creditors, Sacramento, California
Jack Armstrong, Harrah's Club, Reno, Nevada
C. G. Munson, Gaming Industry Association, Carson City
R. E. Cahill, Managing Director Nevada Resort Assoc.
Las Vegas, Nevada
Charles O. Lindekugel, Credit Manager, Harvey's Wagon
Wheel, Stateline, Nevada
Lee DeLauer, Credit Dept., Holiday Hotel, Reno, Nev.

Wm. Goni, Ormsby County Clerk, Carson City, Nevada.

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

Mr. Bob Cahill, Managing Director of the Nevada Resort Association which consists of ten strip hotels from Las Vegas apologized for not being able to attend the first hearing on this bill and appreciated the opportunity of being heard today.

He stated it is a little difficult to explain to Del Webb or Howard Hughes why they were not allowed to collect by law debts that other men were allowed to collect on a bad check. The gaming industry was growing up. They now have credit reports on customers before a credit card is issued and will not cash checks unless credit has been established previously. There are some that are taking advantage and issue checks they know are no good and many stop payment before collection can be made. You can not go out of state to collect these debts. The first think that is said by an attorney in another state is 'How can you expect to collect here when you can't have a law in your state'.

He requested the committee reconsider their previous decision to kill this bill. The industry needed this help.

Mr. Ronald Sypnicki stated he was an attorney from California and handled many cases of gambling debts in California. He has been trying these cases for five years and had handled approximately one thousand cases, twenty of which were filed on and settled in court. One decision was against his client. It was fairly easy to collect these until the decision in the Gibbs case which ruled gambling debts were not collectable. After this case the attitude was different. It was often stated to him that he couldn't expect to collect in California as Nevada did not have a law making them collectable. It was not the gaming debts they were worried about but those who cashed checks at the cashiers cages and used the cash for other purposes. Many would go to three different casinos in the same day and cash checks and go home with the cash, knowing the checks were no good when they were written.

Mr. Lindekugel from Harvey's Wagon Wheel stated he had worked at the Wagon Wheel for eighteen years and the last twelve as manager of the collection department. He traveled on the average of five thousand miles a month trying to collect cash for bad checks. People would ignore telephone calls and letters so he contacted them in their own home. He would determine from their home if they were able to make the checks good and in many cases he would arrange for payments to be made or even in some cases cancelled the debt when he saw the person might lose his home if pressured into payment. They would always ask to have the credit card returned and extend no more credit to this person. They value their public relations and want their customers to return. He felt 95% of the people wanted to pay them back but they want some means to collect from those who won't pay and cashed checks knowing they were no good. Since the Gibbs case decision debts were much harder to collect as people previously did not know that these were not debts that were collectable.

Mr. DeLauer told the committee he made a trip to Seattle to collect a \$4,000 payment for a bad check and was met at the airport by the person and two attorneys. The attorneys told him he made the trip for nothing as it was not collectable. If they didn't have a law in Nevada how did they expect to collect in Seattle?

There was discussion about racing debts in other states and how they were collected and also general discussion as to how the casinos could set up a check cashing service outside of the casino building.

Chairman Monroe thanked those for being present and advised there would be further discussion.

Chairman Monroe asked the committee if they wanted to change their decision. Senator Young would like more time to study it. Senator Monroe will ask Frank Dakin to check the Gibbs case and it will be discussed again Monday.

SB 502 - Authorizes refunds of erroneously collected gaming license fees.

Senator Dodge stated there was no provision for license fees to be refunded if an overpayment was made or if a payment was made erroneously.

Senator Young moved "do pass".
Senator Swobe seconded the motion.
Motion carried.

AB 299 - Provides for disposition of property of certain deceased persons.

Mr. Goni told the committee when an indigent person died a public administrator was appointed to handle his affairs. All of his personal effects were itemized and given to the treasurer. When the case was disposed of the public administrator forgot about the personal effects and they were piled up in vaults. The personal effects were worthless, old shoes, canes, old clothing, etc. but there was no provision to allow of their disposal. It was the responsibility of the public administrator to get rid of these but it was rarely done as most times there are no heirs.

Senator Dodge recommended the bill be amended to allow the treasurer to dispose of the property after a certain length of time and after he had posted a notice.

This was agreeable to Mr. Goni. Mr. Daykin will amend.

Senator Dodge advised Mr. Goni they had amended AB 273 to have Ormsby County have a marriage commissioner in 1973. Mr. Goni had no objections. He explained their main reason that it wasn't fair to ask the legislature for appropriations and not have the extra money from the marriages go into the county general fund.

AB 573 - Adopts credit card crime act.

Chairman Monroe asked the members to study this and it would be discussed next Monday.

AB 666 - Permits magistrate to appoint attorney for indigent defendant.

Senator Swobe thought this was good legislation. Attorneys were now appointed by the district court if a person could not pay for their own defense and wanted an attorney.

Chairman Monroe asked if an attorney was appointed by a magistrate and the trial went on to the District Court, would the same attorney be appointed or would he automatically serve for both.

Frank Daykin was asked in to answer this.

Mr. Daykin advised the district judge would not be bound to recognize the same attorney but it would be assumed that the same attorney would be appointed again by the district judge. He would receive a maximum fee of \$500, \$200 for the services in justice court and \$300 for the district court services. It would not bind the district judge to recognize the attorney appointed by the justice if he felt he was inferior.

Senator Swobe moved "do pass".
Senator Young seconded.
Motion carried.

AB 725 - Extends provisions for personal service of process outside of state.

Senator Swobe stated they had this now for use of the highways in the State and he thought this was good.

Senator Dodge was in favor of anything that would help Nevada residents on process. He asked how far you could extend this and still have it constitutional.

Mr. Daykin stated they carefully examined statutes of several states when preparing this and this was taken from Kansas. Most of them were the same as far as section (e) and Kansas used this section also.

Senator Dodge moved "do pass".
Senator Swobe seconded.
Motion carried.

AB 221 - Permits board of pharmacy to make immediately effective regulations concerning dangerous drugs.

Mr. Daykin stated this would be regulated by the Administrative Procedures Act and does not change this law.

Senator Dodge moved "do pass".
Senator Swobe seconded.
Motion carried.

AB 290 - Authorizes wrongful death action by surviving spouse of minor.

Mr. Daykin advised this would give a surviving spouse the right of action if they were a minor. She would be an heir so their would

Senator Dodge moved "do pass".
Senator Swobe seconded.
Motion carried.

AB 384 and AB 487 - Assemblyman Reid will be asked to explain the need of these.

There being no further business the meeting adjourned at 11:00 a. m.

Respectfully submitted,

Jeanne M. Smith, Secretary

APPROVED _____