

The meeting was called to order at 8:00 a.m. Senator Close was in the Chair.

PRESENT: Senator Close
Senator Hernstadt
Senator Sloan
Senator Dodge
Senator Raggio
Senator Don Ashworth
Senator Ford

ABSENT: None

SB 131 Increases penalties for violation of certain gaming laws.

For testimony on this measure, see the minutes of the meetings for February 28 and March 1.

Ray Pike, Deputy Attorney General, Gaming Division, stated that in response to the discussion at the prior hearing on this measure, the Gaming Control Board has proposed some amendments.

In regard to Section 1 and the concern expressed that this would be removing some discretionary power of the Board and Commission following conviction of a licensee of a criminal violation, the Board feels that perhaps some discretion should be allowed. They have suggested returning it to "may act as an immediate revocation" which would allow for discretionary input with respect to the license, as it might be affected by the criminal conviction.

In discussion of the hidden interest sections, Senator Raggio expressed concern that some of the items listed were almost technical violations. He stated that he would prefer to see a separate section pertaining solely to hidden interests rather than making these violations felonies.

It was the consensus of the committee to have a separate section drafted which would go only to the hidden interest problem.

No action was taken at this time.

SB 185 Permits interception of communications and use of evidence derived from such interceptions in certain circumstances involving gaming violations.

For testimony on this measure, see the minutes for the meetings of February 28, and March 1.

Roger Trounday, Chairman, Gaming Control Board, and Phil Pro, Deputy Attorney General, Gaming Control Board, discussed proposed amendments to this measure. See attached Exhibit A.

Mr. Trounday stated that page 1 of the proposed amendment seeks to allay the concerns of the committee as to the broadness, or all-inclusiveness of SB 185. This specifically enumerates those sections which are felonies.

Senator Dodge asked if there weren't other resources available to the Board for obtaining information on tax evasion or hidden interests without having to resort to a wire tap.

Mr. Pro responded that in order to obtain authorization for an oral intercept, it must be demonstrated that no other investigative means are possible to obtain the information. As it presently exists, you must demonstrate that you have exhausted all alternative courses of action before you can seek an authorization.

Senator Raggio stated that he was not too persuaded by that. When making application for an intercept, an affidavit is filed in support of that application. No one challenges it and it is very rare for a court to deny it. The orders are issued almost summarily.

Pursuant to the hidden interests sections, these too will be drafted as a separate section.

Senator Ford questioned whether the conditions under which authority for a wire tap would be given should be included in the statute or left in regulatory form.

Mr. Pro replied that they had anticipated putting it in regulatory form. He stated that there is no analogous requirement placed in the statutes as to any other regulatory or law enforcement agency which might be seeking court authorized oral interception.

Senator Close stated that he did not believe there was any real reason why that couldn't be included in the statute. He felt it would give a feeling of security to the individuals being regulated.

Senator Ashworth suggested making the Attorney General the ultimate authority for final clearance of an application for a wire tap.

Senator Close disagreed. He stated that inasmuch as the responsibility for gaming control in Nevada rests with the Board and Commission, they should make the determination as to whether or not a wire tap should be applied for.

Mr. Pro stated that the amendment on page 2 goes to the concern expressed by Senator Raggio in the previous hearing. It was pointed out that the present law requires that before evidence is received or the communication obtained as a result of a court authorized interception, it had to be provided to the parties involved, not less than 10 days prior to the hearing. This amendment will place that same requirement on the Gaming Control Board and Commission.

The committee requested that Mr. Pro draft an amendment pertaining to hidden interests for further consideration.

No action was taken at this time.

SB 236 Makes various changes to laws regulating gaming.

For testimony on this measure, see the minutes of the meetings for February 28, and March 1.

(NO DISCUSSION)

Mr. Ray Pike, Deputy Attorney General, discussed proposed amendments to this measure. See attached Exhibit B.

Senator Raggio stated that one of the concerns expressed at the previous hearing was that although this would set out specific divisions, it would not necessarily limit it to those. The structure for specific divisions must be set out in order to establish and review executive budgets. He suggested deleting "such as."

With regard to Section 9, Mr. Pike stated that the present law allows the Commission to call forward for a finding of suitability, individuals who do business on the premises of a gaming establishment. This amendment seeks to add to the list of junket representatives and ticket purveyors, a general category that goes to certain abuses that the Board has discovered in its investigations of other entities.

This would allow review by the Commission of abuses in terms of amounts of monies paid that were clearly beyond the value of the services rendered.

Mr. Pike stated that in drafting this, they had encountered several difficulties. This language would require a Board finding specifically before it could recommend that an individual be called forward for a finding of suitability. He stated that they realized this language was fairly broad but that this would have to be a philosophical decision of the committee as to whether they were willing to allow the Commission to get into these areas of abuse.

Senator Close agreed that this language was rather broad and asked if they couldn't find some guideline with which to tie this down.

Senator Dodge suggested language such as "a compensation that appears to be excessive."

Senator Raggio felt that this type of power would have a chilling effect on those persons providing services to gaming establishments. He stated that it would be possible to define goods but that services would be much more difficult, if not impossible.

Senator Sloan disagreed, and, using advertising services as an example, stated that if an agency is submitted substantial bills and there is no advertising purchased, that is a clear inference that that is being used as an avenue to take money out.

It was the consensus of the committee to accept the draft of March 12 but to further amend the language pursuant to findings of suitability.

No action was taken at this time.

SB 295 Requires certain justices of the peace to serve full time.

Judge Richard Minor, Reno Justice Court, stated that he supported the concept of the bill, however, he felt that it should be accompanied by a salary bill. Many judges supplement their income with the practice of law. He informed the committee that the Nevada Judge's Association presently has a salary bill in drafting and requested that they withhold action on this measure until they can review that bill. He further stated that if the committee couldn't consider this with a salary increase, that he would rather they didn't consider it at all.

Judge Miriam Shearing, Las Vegas Justice Court, concurred with Judge Minor's comments. She further suggested that the committee consider making this commensurate with what is done with district court judges.

Judge James B. Kelly, Justice of the Peace, North Las Vegas, concurred with the previous testimony.

It was the consensus of the committee that no action should be taken on this measure without first considering a salary increase.

No action was taken at this time.

SB 294 Provides for establishing parentage and enforcing support of children.

Ace Martelle, Deputy Administrator, Nevada State Welfare; William Furlong, Chief of the Child Support Program; and Walt Lloyd, Deputy Attorney General, testified in support of this measure.

Mr. Martelle stated that the purpose of this measure is to enable the Nevada State Welfare Division and the District Attorneys, statewide, to do a better job of administering the child support program. He stated that this program has been mandated by the money committees to be a cost-effective program relative to state general fund monies. They must operate and pay for all their staff out of incentive payments or collections received.

Mr. Furlong informed the committee that the support enforcement program is responsible for securing support in all assistance cases, and in all non-assistance cases where the client has requested their aid. He stated that they haven't been particularly successful in identifying punitive fathers and collecting from them. The reason for this is that the majority of cases (nearly 75%) are ineligible for prosecution because of the 2 year statute of limitations.

Senator Dodge asked what statute of limitations they were referring to.

Mr. Lloyd responded that under NRS Chapter 126, the statute of limitations is 2 years after the birth of the child. There are only 2 exceptions to this: 1) a written acknowledgement from the father of the child; or 2) if the punitive father has substantially provided child support, that is a manifest demonstration equal in stature to a written acknowledgement.

Senator Close stated that inasmuch as the committee would have to go into general session soon, they would reschedule this matter for a later hearing.

No action was taken at this time.

SB 290 Authorizes additional means of proving service in probate proceedings.

For testimony on this measure, see the minutes of the meeting for March 1, 1979.

Senator Sloan moved that SB 290 be reported out of committee with a "do pass" recommendation.

Seconded by Senator Ford.

Motion carried unanimously. Senator Raggio was absent from the vote.

SB 291 Authorizes award of deficiency judgment directly to beneficiary of deed of trust.

For testimony on this measure, see the minutes of the meeting for March 12, 1979.

Senator Sloan moved that SB 291 be reported out of committee with a "do pass" recommendation.

Seconded by Senator Hernstadt.

Motion carried unanimously. Senator Raggio was absent from the vote.

SB 296 Removes office of county recorder as place to file security interests in certain cases.

For testimony on this measure, see the minutes of the meeting for March 12, 1979.


Senator Ashworth moved that SB 296 be reported out of committee with a "do pass" recommendation.

Seconded by Senator Sloan.

Motion carried unanimously. Senator Raggio was absent from the vote.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Cheri Kinsley, Secretary

APPROVED:

Senator Melvin D. Close, Jr., Chairman

463141

Change

This is the wire interception bill. It extends the authority for such interceptions to certain circumstances involving gaming violations; provides for use of information obtained with wire interceptions.

The following amendments may be appropriate as a result of the discussion at the hearing on March 1, 1979:

Page 1, line 13, section 1, paragraph 1: Amend to read as follows: "... chapter 453 or 454 of NRS [.] , NRS 463.160, subsections 1 through 5, inclusive, NRS 463.360, subsection 2, NRS 463.430 to NRS 463.470, inclusive, NRS 465.010, NRS 465.020, NRS 465.070, NRS 465.080, NRS 465.083, NRS 465.085, and NRS 465.090.

The sections enumerated above concern the following felony crimes: 463.160, subsections 1 through 5, hidden interest; 463.360, subsection 2, willful tax evasion; 463.430 through 463.470, unlicensed dissemination of wagering information (illegal bookmaking); 465.010 and 465.020, hidden interest; 465.070, swindling, cheating, bunco steering; 465.080, unlawful use of cheating devices; 465.083, cheating games; 465.085, unlawful manufacture, sale or possession of cheating devices; 465.090, unlicensed dissemination of wagering information (illegal bookmaking).

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Make the following amendments to NRS 179.500:

The contents of any intercepted wire or oral communication or evidence derived therefrom shall not be received in evidence or otherwise disclosed in any trial, hearing or other proceeding [in] before any court of this state, or before the Nevada gaming commission or state gaming control board, unless each party, not less than 10 days before the trial, hearing or proceeding, has been furnished with a copy of the court order and accompanying application under which the interception was authorized and a transcript of any communications intercepted. Such 10-day period may be waived by the judge, or chairman of the Nevada gaming commission or state gaming control board, if he finds that it was not possible to furnish the party with such information 10 days before the trial, hearing or proceeding and that the party will not be prejudiced by the delay in receiving such information.

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S.B. 236

This is the Gaming Control Board's omnibus bill. It amends various sections of the Gaming Control Act.

In addition to those changes suggested at the hearing on March 1, 1979, and outlined on pages 1 and 2 of the suggested changes distributed at that hearing, the Board would like to suggest the following amendments:

Page 1, line 16, section 2, paragraph 1: NRS 463.075 should be amended to read as follows:

[1.] The board shall be organized in [three] functional divisions [:], such as: Administrative, [fiscal and surveillance.] audit, investigations, enforcement, corporate securities, and tax and license.

Paragraphs 2, 3, 4, and 5 would be deleted, as they currently are in the bill as is before the committee. It should be noted that the above amendment would make NRS 463.075 consistent with the provisions of NRS 463.080. NRS 463.080 currently provides that the board may, "Establish, and from time to time alter, such plan of organization as it may deem expedient." NRS 463.080(1)(a).

It should also be noted that the qualifications of the individual Board members, outlined in NRS 463.040, would not be amended. Assignment of functional divisions would still be made, as appropriate.

The board would also like to suggest a change to the amendment suggested to NRS 463.160, in response to the discussion during the hearing of March 1, 1979:

Add a new section to amend NRS 463.160: NRS 463.160 is hereby amended to read as follows:

463.160 License required.

1. No amendment.
2. No amendment.
3. No amendment.
4. No amendment.
5. It is unlawful for [A]any person [who shall] to knowingly permit any gambling game, slot machine or device to be conducted, operated, dealt or carried on in any house or building or other premises owned by him, in whole or in part, except by a person who is licensed hereunder, or his employee [is guilty of a gross misdemeanor].
6. No amendment.
7. No amendment.
8. No amendment.
9. If the premises of a licensed gaming establishment are directly or indirectly owned or under the control of the licensee therein, or of any person controlling, controlled by, or under common control with such licensee, the commission may, upon recommendation of the board, require the licensee to present the application of any business or person doing business on the premises

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with the licensed gaming establishment in the capacity as junket representative or ticket purveyor, or providing any goods or services to the licensed gaming establishment in a manner or for a compensation found by the board in its recommendation to be contrary to the maintenance of public confidence and trust in effective regulation of the gaming industry for a determination of suitability to be associated with a gaming enterprise in accordance with the procedures set forth in this chapter. If the commission determines that such business or person is unsuitable to be associated with a gaming enterprise, such association shall be terminated. Any agreement which entitles a business other than gaming to be conducted on such premises or with the licensed gaming establishment as set forth above is subject to termination upon a finding of unsuitability of the business or of any person associated therewith. Every such agreement shall be deemed to include a provision for its termination without liability on the part of the licensee upon a finding by the commission that the business or any person associated therewith is unsuitable to be associated with a gaming enterprise. Failure to expressly include such a condition in the agreement is not a defense in any action brought pursuant to this section to terminate the agreement. If the application is not presented to the board within 30 days following demand or the unsuitable association is not terminated, the commission may pursue any remedy or combination of remedies provided in this chapter.

SENATE BILL NO. 290—COMMITTEE ON JUDICIARY

MARCH 2, 1979

Referred to Committee on Judiciary

SUMMARY—Authorizes additional means of proving service in probate proceedings. (BDR 12-1241)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.



EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to probate; extending the means allowed for the proof of service in probate proceedings; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. NRS 155.080 is hereby amended to read as follows:
2 155.080 All proofs of publication or other mode or modes of giving
3 notice or serving papers may be made by the affidavit of any person com-
4 petent to be a witness, which affidavit **[shall]** *must* be filed, and **[shall**
5 **constitute]** *constitutes* prima facie evidence of **[such]** publication or
6 service, as the case may be. *Proof of service may also be made by any*
7 *means permitted by the Nevada Rules of Civil Procedure.*

SENATE BILL NO. 291—COMMITTEE ON JUDICIARY

MARCH 2, 1979

Referred to Committee on Judiciary

SUMMARY—Authorizes award of deficiency judgment directly to beneficiary of deed of trust. (BDR 3-1240)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.



EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to actions concerning property; authorizing the award of a deficiency judgment directly to the beneficiary of a deed of trust; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

1 SECTION 1. NRS 40.455 is hereby amended to read as follows:
2 40.455 Upon application of the judgment creditor or the [trustee]
3 *beneficiary of the deed of trust* within 3 months from the date of the
4 foreclosure sale or the trustee's sale held pursuant to NRS 107.080,
5 respectively, and after the hearing conducted under NRS 40.457, the
6 court may award a deficiency judgment to the judgment creditor or
7 [trustee] *the beneficiary of the deed of trust* if it appears from the
8 sheriff's return or the recital of consideration in the trustee's deed that
9 there is a deficiency of sale proceeds and a balance remaining due to the
10 judgment creditor or the [trustee,] *beneficiary of the deed of trust,*
11 respectively.

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SENATE BILL NO. 296—COMMITTEE ON JUDICIARY

MARCH 2, 1979

Referred to Committee on Judiciary

SUMMARY—Removes office of county recorder as place to file security interests in certain cases. (BDR 8-1239)

FISCAL NOTE: Effect on Local Government: No. Effect on the State or on Industrial Insurance: No.



EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to the Uniform Commercial Code; removing the office of the county recorder as an additional place to file security interests in certain cases; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. NRS 104.9401 is hereby amended to read as follows:
- 2 104.9401 1. The proper place to file in order to perfect a security
- 3 interest is as follows:
- 4 (a) When the collateral is equipment used in farming operations, or
- 5 farm products, or accounts or general intangibles arising from or relating
- 6 to the sale of farm products by a farmer, or consumer goods, then in the
- 7 office of the county recorder in the county of the debtor's residence or if
- 8 the debtor is not a resident of this state then in the office of the county
- 9 recorder in the county where the goods are kept, and in addition when
- 10 the collateral is crops, growing or to be grown, in the office of the county
- 11 recorder in the county where the land on which the crops are growing or
- 12 to be grown is located.
- 13 (b) Except as otherwise provided in subsection 5, when the collateral
- 14 is timber to be cut or is minerals or the like (including oil and gas) or
- 15 accounts subject to subsection 5 of NRS 104.9103, or when the financing
- 16 statement is filed as a fixture filing (NRS 104.9313) and the collateral
- 17 is goods which are or are to become fixtures, then in the office where a
- 18 mortgage on the real estate would be filed or recorded.
- 19 (c) In all other cases, in the office of the secretary of state. [and in
- 20 addition, if the debtor has a place of business in only one county of this
- 21 state, also in the office of the county recorder of such county, or, if the
- 22 debtor has no place of business in this state, but resides in the state, also
- 23 in the office of the county recorder of the county in which he resides.]

Original bill is 2 pages long.
Contact the Research Library for
a copy of the complete bill.