

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

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

ABSENT: None

SB 131 Increases penalties for violation of certain gaming laws.
(See minutes of February 28, March 1, 13, 26, 30 and April 9 for previous testimony and discussion.)

Testifying for the Gaming Control Board were Ray Pro, Legal Counsel and Jack Stratton.

Senator Close stated that the question the Committee has is on line 5, on Page 4 concerning the hidden interest. Their question is why is there a forfeiture made to the state?

Senator Dodge stated that it was made a felony, the person gets locked up, and with the forfeiture he doesn't get to enjoy his money.

Mr. Pro stated that was the whole point. He stated that in talking with the individuals that put this bill together, they drew primarily upon the 18 U.S. Code, Section 1963, the Racketeer Influence and corrupt Organizations (RICO) statute. There is an explanation that was prepared by the Strike Force and in terms of the RICO statutes, they spend a couple of pages specifically on criminal forfeitures. In violation of 1962, it provides for 20 years imprisonment, \$25,000 fine, or both. It also mandates criminal forfeiture to the United States. Criminal forfeiture was a new concept in American law at the time of the RICO statute and its enactment. There has been a long history of a civil forfeiture of property used illegally, especially in Admiralty cases. Forfeiture of the economic assets of an organization which has perpetrated schemes involving fraud, gambling, extortion and narcotics, gives the government the needed weapon to destroy the financial base of the superstructure.

Senator Raggio stated that what bothers him about this law is the fact that once the defendant is found guilty there is a mandatory forfeiture of any interest. A hypothetical situation is that Carl Dodge owns a licensed 10% of a gaming club, Mike Sloan is arrested in Las Vegas and charged with having a hidden interest in that club. He goes to trial and is found guilty of having a hidden interest in Club X, Carl Dodge is fronting for him, how does this forfeiture come in?

He stated his problem is that Carl has not been before the criminal court. Does the state pick up Carl's 10% because in the course of that proceeding the judge found Mike guilty of having a hidden interest?

Mr. Pro stated that that would be a necessary element of proof. To isolate an interest that Senator Sloan has maintained in violation of the statute, this explanation focuses upon that problem as well. I don't see it as something that would be applicable in every case, and it is not contemplated in every RICO conviction.

Senator Raggio stated that Senator Dodge still hasn't been before the court, and yet he is ordered to forfeit to the State.

Senator Sloan stated that it would have to be an identifiable object in the sense the interest would have to be at least documented, that he had such an interest, and brought into court. It would be a situation where there would be proof beyond a reasonable doubt. He felt that Carl would not be required to have a separate hearing on that.

Mr. Pro stated it would be a very difficult thing to prove the hidden interest or skimming of funds. When you say 10% it would be almost impossible for a government agency to ever prove specific amounts in a hidden interest case.

Senator Hernstadt stated that you could have another hypothetical case where the fellow's interest is worth one million and you put him in jail for five or ten years, if you strike this from the bill, he comes out and that interest could be worth ten million or more. That does not seem to be justice.

Senator Ford stated she did not understand why the person fronting the hidden interest would not be charged also.

Senator Dodge stated that the prime mover is the hidden interest. He stated his question is simply that because there is a federal forfeiture which is based on a much broader type implication to the public, is that a sufficient analogy to carry the concept into this area.

Senator Raggio stated he had no problem with someone not profiting from a hidden interest, but find a way to address this problem so that someone who hasn't been before the criminal court, has his rights protected. He may be guilty, but he ought to have his day in court.

Senator Close asked why they didn't increase the possible penalty. You can revoke the gaming license of the establishment, and then what is left for anyone to sell?

Senator Raggio asked what about having a civil approach.

Senator Hernstadt asked where the money would go if this bill were passed.

Mr. Pro stated that it would go into the General Fund for the state.

Senator Raggio stated that his suggestion would be to take it out of here, then reinforce whatever provision they have on civil divestiture, cite all the parties involved, and have them all appear before the courts. He stated he thought the gaming people should have a clear right to forfeit on any of these illegal interests. But it should be done in an appropriate manner.

Senator Sloan moved that SB 131 be passed out of Committee with "an amend and do pass" recommendation.

Seconded by Senator Raggio.

Motion carried unanimously.

SB 185 Permits interception of communications and use of evidence derived from such interceptions in certain circumstances involving gaming violations.
(See minutes of February 28, March 13, 26 and April 6 for previous testimony and discussion.)

Hank Greenspun, Las Vegas Sun, stated that he was testifying as a free citizen. He stated he was against any type of wire tapping. He felt it was bad enough that law enforcement agencies needed to use it as a tool but to give a Board or a Commission this use is wrong. He stated he goes back a long time and has lived through an awful lot of things that the young people on the Committee have not endured. He stated the Committee was living off the fat of the land. They are now the masters of the people, they are not the agents of the people, as was expected when the people elected them to office. "As I am one of the governed I refuse to be put back into a vast prison such as Germany, during Hitler, or the prison of Russia under Communism, or the United States under McCarthy." "People are informed only when they can read it in a newspaper, when you restrict their right to know, there is no way they can know what is going on." "To keep our Gaming Control Board from being embarrassed, when the only thing that can embarrass them is their own procedural methods, and they should be embarrassed by that." "It takes them 9 months to find out what a retarded reporter can find out in two weeks." "We know all of the hidden interests in the hotels, and we don't get paid by the state, nor have we wire tapped anyone." "Some people would rather go to death than be subjected to the horrors that they are put through to try to obtain or apply for a gaming license." "I can understand putting restraints on them to preserve their life, but to preserve a gambling industry that is a parasitical venture at best." "It takes money away from

people without contributing anything to the betterment of society." "So I would caution you not to create another era here in this state, like it was under McCarthisim, of like Russia under the OGPU." "I fear what is going to happen to newspapers everytime you people meet, and how much more you are going to limit the people's right to know."

Senator Ford stated that he had mentioned he was aware of hidden interest, and she wondered if he had any suggestions to the gaming people on how to get at the problem.

Mr. Greenspun stated that if you don't limit the right to publish or print, those things can be learned, but certainly it will not be accomplished by passing laws.

Senator Ford stated that there is another bill that would increase the wages of the gaming people, and asked if he thought it would help.

Mr. Greenspun stated that he thought it would. He also felt that you could not keep the Federal Government out of it, and so if they would work with them; but let them use their tools.

No action was taken on this bill at this time.

SB 406

Requires that actions to remove mobile homes from rented property be brought to district court.

Jack Schrader, Attorney, representing the Northern Nevada Mobile Home Park, Inc., a non-profit organization, stated he is representing approximately 18 mobile home park owners. He stated that in reading the bill it singles out one portion of industry and says in order to get relief on a landlord/tenant problem, if you are a mobile park owner, you must go to district court. This is blatantly discriminatory to mobile park owners. It will take up to 9 months in district court, which is an unfair burden on the tenants. If you have a nuisance created by one tenant in the park, all of the other tenants are affected. That nuisance will be there and present for the length of time that it takes to get the matter before the court.

Ernest Baker, Vice-President of the Mobile Home Owners Association of Northern Nevada, stated they are also in opposition to the bill.

Wilbur Faiss, Senator, District 2, Clark County stated that the thrust of the bill is that mobile homes should be considered the same way as a house. Many of these are even more luxurious than a home that you can buy for the same amount of money. All they are doing is renting space and that they should be given the same consideration as owning a home on their own lot.

Senator Close stated that right now if you are renting a home, apartment or mobile home, you have a choice of which

court you want to go into. They still can go into District Court if they want to, but you are precluding the owner from going into Justice Court.

Mary Fisher, Owner of Cottonwood Mobile Home Park in Carson City, stated she too is in opposition to the bill. She stated that in her own personal experience it is extremely difficult to evict someone and this would just put a further burden on the owners.

Senator Ford moved that SB 406 be "indefinitely postponed."

Seconded by Senator Dodge.

Motion carried unanimously. Senator Sloan was absent for the vote.

AB 265 Abolishes "tender years" criterion in child custody cases.

Glen Hautly, from Incline Village, stated he is in support of this bill. He stated he has been fighting a custody battle, going into its second year, and feels that he represents quite a few fathers in the state. "The sole consideration is the best interest of the child, and no preference should be given to either parent for the sole reason that the parent is the mother and/or the father." He has fought for even the 25% visitation rights he has, and feels that the reason is, most judges feel because of the doctrine, that the child must go with the mother. He pointed out that in his case there are drug and alcohol problems, as his ex-wife has been in the hospital twice in the last 6 months for D.T.'s, and his child's life has actually been in danger. He stated that under NRS 128.050 it declares that the preservation and strengthening of the family is a part of public policy of this state, and he feels this bill goes a long way in doing just that.

Senator Ford stated that AB 115, the Uniform Custody Act is not specific as to the language Mr. Hautly brought out as to "the sole consideration" and felt it should be spelled out in the Uniform Act.

Larry Dickerson from Washoe, stated he is also in support of the bill. He felt if it were passed it would be a lot easier for the father to show he is the better parent, rather than attacking the mother to show she is a worse parent. He also stated it would be better for the child without the constant legal battles that now occur.

Mylan Barin Roloff, Legislative Committee for the Northern Nevada National Organization for Woman, stated she is in favor of this bill, and read her testimony into the record (see attachment A).

Senator Close stated that if this was passed they would make sure that it conforms with the Uniform Act.

Senator Hernstadt moved that AB 265 be passed out of Committee with an "amend and do pass" recommendation.

Seconded by Senator Ford.

Motion carried unanimously.

Senator Close stated that he had one BDR for Committee introduction that was drafted at his request.

BDR 1-1118 Makes appropriation to Supreme Court to Nevada to establish judicial uniform information system and removes certain reporting requirement.

The Committee unanimously approved for Committee introduction.

Meeting was adjourned at 10:55 a.m.

Respectfully submitted,


Virginia C. Letts, Secretary

APPROVED:

Senator Melvin D. Close, Jr., Chairman

Testemony of Mylan Sarin Roloff
Legislative Committe
Northern Nevada National Organization
for Woman

A. B. 265 - Senate Judiciary - Wednesday, April 11, 1979

Chairman Close, Members of the Committe:

The Northern Nevada National Organization for Woman, supports A.B. 265. We would however like the record to show that we preferred the bill in its original draft. We have concerns that the present language will be viewed by the courts as tokenism, there by failing to take into consideration the best interests of the child. Because of the deletions of the criterias in the original draft of A.B. 265, we fear that the courts may resort to business as usual, in assuming the mother is always the best fit to raise the very young.

Dispite our concerns over the present language of A.B.265 we want to see it passed, and the tender years criterion abolished in Nevada. Not only because the rights of one parent are always violated by such a criteria, but more importantly the well being of the child is only assumed, and never truly considered by it.

Children are the victims in divorce. Frequently they become pawns, in a battle between two people who can not do enough to hurt each other. It behoves us as a society to view both parents equally as being capable of caring for their children, and then to investigate where the best interest of the child will be.

Under the present tender years criteria there have been numerous incidents that point out the need to end this false assumption. This criteria has put children in the custody of the alcoholic; the drug addicted the mentally unfit, the child abuser. Children have been victimized by the very person the court assumed to be the best able to care for them.

The process of proving a parent unfit after custody is awarded is long and costly. The well being of a child should not be at issue after the fact, but should always be the main concern of the court during a divorce procedure.

It would be our hope that if passed, A.B. 265 will be applied by the courts, and there by end what has been a very discriminatory and all too often tragic method of deciding who shall have custody rights.

**SENATE BILL NO. 131—SENATORS SLOAN,
RAGGIO AND WILSON**

JANUARY 25, 1979

Referred to Committee on Judiciary

SUMMARY—Increases penalties for violation of certain gaming laws. (BDR 41-482)

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 gaming; providing for automatic revocation of licenses for certain violations; increasing the penalties and providing for forfeitures where certain interests are held in gaming establishments in violation of licensing laws; 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 463.360 is hereby amended to read as follows:
2 463.360 1. Conviction by a court of competent jurisdiction of **[the]**
3 *a person for a violation of, an attempt to violate, or a conspiracy to vio-*
4 *late* any of the provisions of this chapter **[may act as an]** *or of chapter*
5 *464 or 465 of NRS effects the immediate* revocation of **[any and]** all
6 licenses which **[may]** have been issued to the violator, and, in addition,
7 the court may, upon application of the district attorney of the county or
8 of the commission, order that no new or additional license under this
9 chapter be issued to such violator, or be issued to any person for the room
10 or premises in which such violation occurred, for a period of 1 year from
11 the date of such revocation.
12 2. Any person who willfully fails to report, pay or truthfully account
13 for and pay over any license fee or tax imposed by the provisions of this
14 chapter, or willfully attempts in any manner to evade or defeat any
15 such license fee, tax or payment thereof shall be punished by imprison-
16 ment in the state prison for not less than 1 year nor more than 6 years,
17 or by a fine of not more than \$5,000, or by both fine and imprisonment.
18 3. *Any person who willfully violates, attempts to violate, or conspires*
19 *to violate any of the provisions of NRS 463.160 shall be punished by*
20 *imprisonment in the state prison for not less than 1 year nor more than*
21 *20 years, by a fine of not more than \$50,000, or by both fine and*
22 *imprisonment, and shall forfeit to the State of Nevada any interest he*

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