

MINUTES OF THE  
MEETING OF THE SENATE COMMITTEE  
ON JUDICIARY

SIXTY-FIRST SESSION  
NEVADA STATE LEGISLATURE  
February 16, 1981

The Senate Committee on Judiciary was called to order by Chairman Melvin D. Close at 9:00 a.m., Monday, February 16, 1981, in Room 213 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda. Exhibit B is the Attendance Roster.

COMMITTEE MEMBERS PRESENT:

Senator Melvin D. Close, Chairman  
Senator Keith Ashworth, Vice Chairman  
Senator Don W. Ashworth  
Senator Jean E. Ford  
Senator William J. Raggio  
Senator William H. Hernstadt  
Senator Sue Wagner

GUEST LEGISLATORS:

Senator James N. Kosinski

STAFF MEMBERS PRESENT:

Iris Parraguirre, Committee Secretary

SENATE BILL NO. S. B. 183

Reestablishes Nevada racing commission and reenacts and amends Nevada Racing Act.

Senator Kosinski stated that S. B. No. 183 was the result of a pilot Sunset effort by the Legislative Commission over the last interim period. A. B. 523 of the last session established the Sunset review for three agencies: the Bureau of Community Health Services, the Real Estate Division and the Racing Commission. Serving on that committee was Senator Kosinski Chairman, Senator Raggio, Vice Chairman, Senator Wagner and Assemblymen Vergiels and Jeffrey. The work product of the sub-committee is Bulletin 81-21.

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Senator Kosinski referred to page 41 of the report which commences the recommendations on the racing commission. (for further reference, Bulletin 81-21 is filed with the secretary's minutes.) He stated Appendix C of the report contains the Fiscal Analysis Division Sunset Review of the Nevada Racing Commission and starting on page 26 are the 14 criteria contained in the Sunset Review and the staff's response to each of those 14 criteria. He stated the Government Affairs Committee has passed out S. B. No. 171 with a recommendation Do Pass, which is an amendment of some of those criteria.

Senator Kosinski said the report was complicated by the fact the racing commission was going through a period of significant change. They found the regulations of the racing commission were adopted around 1964 and in many cases had not been amended since that date. They also found that regulations for pari-mutuel racing had not been adopted at all by the racing commission. He stated the commission had hired a full-time staff after the 1979 session to do a complete review of their operations and regulations.

Senator Kosinski stated recommendation No. 1 is the recommendation that the racing commission be continued. The sub-committee found there was a potential for substantial economic loss to the public resulting from fraudulent pari-mutuel practices if regulations were not established.

Recommendation No. 2 suggests changes in the language of the purpose clause of the racing commission, Section 1 of NRS 466.015. The sub-committee recommended language be added to protect the general public, which had not been a purpose statement contained in the existing statute. The sub-committee also made a recommendation to take out the references to agriculture primarily because they could not find that the operation of the commission had been assisting agriculture in the state of Nevada over the past ten years.

Recommendation No. 3 relates to the qualifications of the members of the racing commission. The sub-committee eliminated a number of qualifications and limited the qualifications to being a resident of the state of Nevada and citizens of the United States.

In response to Senator Keith Ashworth's question as to whether a member had to know anything about horses, Senator Kosinski replied that was not a requirement.

Recommendation No. 4 recommends the addition to the language which prohibits a member of the commission from having a financial

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interest in any greyhound to include that the prohibition also be extended to the financial interest in any horse which is entered in any race. Senator Kosinski stated this was in line with the recommendations by the commission on the review of a national policy toward gambling. The sub-committee found that no members of the present commission race any horses they own in the state of Nevada.

Recommendation No. 5 relates to salary. Under the existing law, the members of the racing commission do not receive the daily salary of \$40 as provided. The sub-committee could find no justification for that except possibly the fact that in the past, the racing commission had not generated enough revenue from the existing races to fund a \$40.00 per day salary. The \$40.00 would be subject to a legislative appropriation, although the governor has made a recommendation that all boards and commissions go to \$60.00 per day.

Recommendation No. 6. The committee recommends that the permissive language be changed in NRS 466.030 to mandatory language. It was found that the racing commission had not adopted pari-mutuel regulations in the past possibly because their activities were limited to county fairs and horse races at those county fairs.

Recommendation No. 7 is a substantial policy decision relating to how revenues are to be handled by the racing commission. As the racing commission presently is set up, the Athletic Commission takes the funds and makes the allocations as provided by statute, including an allocation of their revenue to their own operating fund. Recommendation No. 7 would provide that the appropriations from the general fund to the racing commission be made on a bi-annual basis and the revenue from the operation of the pari-mutuel of the tracks would go directly into the state treasury rather than being deposited into a fund of the racing commission. Senator Kosinski stated there is also language relating to the reimbursement of agricultural associations and supplementing breeder's purses. If the legislature adopts a policy whereby the commission would be appropriated then it would only be functional if any funds which are to go to the breeder's purses or to the agricultural associations would also be appropriated on a bi-annual basis. He stated none of those provisions had ever been implemented by the racing commission because of the lack of revenue over the years.

Senator Keith Ashworth asked whether the commission is presently paying 10 percent of the win pool to a Nevada-bred horse breeder. Sharon Brandsness of the Nevada Racing Commission replied they

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have not because they have not had the money due to the fact they have either broke even or gone in the hole. She stated what that means is if the money is appropriated to the racing commission by the legislature for the breeder's program, they pay the breeder of a winning Nevada-bred horse 10 percent of what the total purse of the race was that he won. In other words, if the purse was \$2,000, the commission would pay him \$200 as a breeder's award for breeding the horse in the state of Nevada.

Senator Keith Ashworth asked Mrs. Brandsness if the purse money was not synonymous with a win pool. She replied that it was not. She explained all that says is that the owner of the horse won money for first place. For instance, if he won \$2,000 for his horse winning first place, the commission may give the breeder of the horse, not the owner, 10 percent. It comes out of the one percent which comes to the commission. Senator Kosinski stated that in the sub-committee's proposal, they had treated the agricultural associations in the same manner. If there was money appropriated, then the racing commission may provide for the pastures.

Senator Kosinski stated the sub-committee was not able to make a recommendation on the advisability or value of reimbursing the agricultural associations or supplementing the breeder's purses since they could not find enough information on it.

Recommendation No. 8 relates to bond coverage for contract employees to insure blanket coverage. It was determined that independent contractors would not be under the blanket state bond law, which may have been an oversight by the commission.

Recommendation No. 9 relates to licensing of the track operators, NRS 466.105. The Gaming Control Board's involvement in this process has been varied over the years from time to time. Presently, the Gaming Control Board is required to conduct an investigation and present its report to the racing commission. It does not make a recommendation. The sub-committee dealt with this problem at some length and finally made a recommendation limited only to that the Gaming Control Board, in presenting their report to the racing commission, would recommend denial or approval. The language in the bill does not deal with the issue as to whether or not the racing commission would then need a unanimous vote to override a recommendation of denial by the Gaming Control Board. The sub-committee did not deal with that issue either. The language in the bill on page four is limited only to the Gaming Control Board including a recommendation whether to approve or deny the license.

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Recommendation No. 10 provides that the racing commission develop background information on occupational licensees, increasing the reliability of the information through the National Association of Racing Commissioners computerized data system or fingerprint checks or both. The sub-committee was told the racing commission is presently involved in hooking up with the National Association and also in developing reciprocity with other states.

Recommendation No. 11 relates to an audit and verification procedures of pari-mutuels for purposes of insuring accurate tax payments. The commission has included in their new regulations for the pari-mutuel wagering a procedure for auditing and verifying procedures of the pari-mutuel operation.

Recommendation No. 12 relates to the status of employees of the racing commission. The sub-committee has recommended language be used in Chapter 466 similar to that used for the Gaming Control Board in that only clerical positions would be in the classified service of the state and all other positions would be in the unclassified service to give the racing commission additional power to act quickly to discharge employees who they do not believe are operating in the best interests of the state.

Senator Raggio asked Senator Kosinski how this mechanically operates with regard to Sections 6 and 12 of the bill. Senator Kosinski explained 284.013 is the part that excludes employees of other agencies who are specifically exempt by statute, which would be the racing and gaming people.

Recommendation No. 13 relates to Section 13. The sub-committee learned that a relatively small agency of the state which had been used to dealing with revenue in the \$5,000 to \$10,000 range would soon find itself dealing with an industry that had grown to 37 million dollars, with the possibility of as much as 1 million dollars in tax revenue. In reviewing the minutes of the judiciary committees and the finance committees from the 1979 session, the sub-committee found that none of the appropriate jurisdictional committees had really dealt with the issue or taken a hard look at it and made a decision as to whether or not the statutes and jurisdiction of the racing commission was adequate to deal with the task of regulating the operations in Henderson and possibly another one proposed in northern Nevada. The sub-committee felt a more comprehensive legislative review of this issue was warranted. The sub-committee did not feel they had the time or the expertise to deal with the issue, even though they had two members of the judiciary committee serving on the sub-committee. They made a recommendation the issue be reviewed by the gaming sub-committee;

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however, it was late in 1980 and when the issue was brought over to the gaming sub-committee, they did not have adequate time to deal with it. The gaming sub-committee subsequently made a recommendation that S. B. No. 67 be drafted and submitted to the legislature merely as a vehicle for the judiciary committees to review the issue as to whether or not the present statutory structure for regulating greyhound and horse racing in the state is adequate.

Senator Kosinski indicated Appendix C does contain the Sunset review conducted by the fiscal analyst staff, Dan Miles. It deals with some of the issues in greater length and raises some issues the sub-committee did not choose to make recommendations on as well.

Chairman Close asked whether lines 10 through 12 on page four were substantive changes. Senator Kosinski explained that, as he understood it, in making some changes to Section 7, NRS 466.080 primarily dealing with the commission being converted from a revenue funded to a general fund appropriated agency, there were some changes made which Frank Daykin felt necessary to carry over into Section 10 on page four. He explained there was no substantive change as far as he could tell. The one-fourth of the money paid would be essentially one percent or twenty-five percent of the four percent, which would be the one percent. The reference to NRS 466.080 had to be taken out because it would no longer be an accurate reference.

Mr. John Crossley, legislative auditor, referred the committee to a letter which he wrote to them on the provisions of the bill. They felt there should be an amendment to the bill. The racing commission fund is being abolished and any assets remaining in the Nevada Racing Commission fund shall be transferred to the state general fund. Mr. Crossley recommended that the provision be added to the bill to provide one-fourth of the money paid to the commission which must be distributed to the cities be accounted for by the state comptroller through the intergovernmental trust fund. He stated they are currently doing this in other agencies such as the tax commission. A copy of Mr. Crossley's letter is attached hereto as Exhibit C. He stated these were technical amendments which he felt were essential.

Senator Raggio asked Mr. Crossley how disbursement is presently being handled at the Las Vegas Downs track. He said he was under the impression the track pays directly to the city.

Mr. Duane Goble, Executive Secretary of the Nevada Racing Commission, replied they do cut three particular checks at the end of

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each night of racing. One check is for one percent to the City of Henderson, one percent to the racing commission and two percent to the general fund.

Senator Raggio inquired whether they wanted an amendment to reflect a change in the procedure so the commission does not pay directly to the city.

Mr. Goble explained that since the racing commission is collecting money on all the races, any money they deposit with the state must go to the general fund. If it is the intent of the racing commission not to deposit the money with the State Comptroller's office and process it through that system, then Mr. Goble stated his amendment is not necessary. However, NRS 466.080(2) states, "The commission shall deposit with the state treasurer for credit to the state general fund, periodically as collected, all fees imposed by NRS 466.120 and the remainder of the taxes imposed by NRS 466.125." Under that portion of the statute, the law required the commission to deposit money with the state treasurer.

Senator Keith Ashworth stated he feels there is a conflict now on page three, lines 11 and 12 quoted by Mr. Goble and what is stated on page four. It was his opinion that the winnings should not be paid through the state of Nevada.

Mrs. Brandsness stated she felt the procedure they have been using is excellent. The city gets their check the night of the race, the racing commission does not have to go through the book work and no one has to wait for a check to come from the Comptroller's office. The state general fund gets their two percent immediately and the racing commission's one percent is deposited into their account immediately. She felt the law presently supported that method but if it does not, it should be amended.

Senator Raggio stated he agreed with Senator Ashworth and on page three, lines 11 through 13, it does differentiate between the "fees" which are collected under Section 120 and the "taxes" under 125. He stated it is not clear what is meant by "the remainder of the taxes" but it should be clarified so there will be explicit authority.

Senator Keith Ashworth felt that paragraph two of NRS 466.080 was referring to the fees which are collected for the inspection fee or whatever fees are collected in connection with the race that is not shared with anyone else but goes directly to the commission. He felt that referring to the remainder of the taxes was referring

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to something different than fees and the ambiguity should be straightened out. He stated on page four, the reference to the percentage of the pari-mutuel winnings which is four percent, one-fourth of which goes to the city and three-fourths to the commission, should also be amended.

Senator Wagner asked who ultimately oversees the distribution of the money each evening. Mrs. Brandsness stated their director of mutuels who is there from the beginning of the very first bet placed in the evening until the very last one is placed at night is on the premises at all times. He gets the tally sheet of each race and verifies that the commission gets what it deserves.

Chairman Close stated the bill would be drafted.

Mrs. Sharon Brandsness of the Nevada Racing Commission stated their major concern was taking away any regulations from the commission, either pari-mutuel or in licensing. She complimented Senator Kosinski and the committee and felt they did a very fair job of dealing with the issue of what to do with the racing commission and that most of their recommendations were needed.

Mrs. Brandsness stated on page two, section four, in asking for a change in the law where a commissioner may not run a horse in the state, there are only seven states out of 32 that have racing which prohibit racing commissioners from running horses in those states. She stated Kentucky requires that an individual be in the horse racing business and run horses. The philosophy is they want members on the racing commission who know racing. Mrs. Brandsness quoted from James Coleman, a member on the Review of the National Policy Toward Gambling, which quotation is attached hereto as Exhibit D. She stated she would like to be able to participate in horse racing in Nevada when it is available and would prefer not to have to transfer her horse into her husband or children's name to be able to race, but she does not have a strong position one way or the other.

Senator Keith Ashworth asked Mrs. Brandsness if she had any objection to changing the law where the commissioner shall not be the representative of the meet where his horse is running. She felt it would be an excellent idea. She stated that in the event a problem arises within the race, the stewards need the philosophy of the commission and whichever commissioner lives in the area will give guidance to the stewards or employees at the racetrack. Each race has three stewards.

Mr. Don Ashworth asked what the duties of the commissioner are at a race. Mrs. Brandsness replied they handle various complaints



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and represent the commission in a position of authority.

Senator Raggio asked whether the regulation should require a commissioner to be present at all races. Mrs. Brandsness replied it would not have to be required but that there always is one at the races. If more than one commissioner is present, the one who resides in the area is the one who has jurisdiction if a problem arises. The top man at the racetrack is the chief steward.

Mrs. Brandsness stated on page three, section seven, they do not have a strong position on the amendments but since they hope to be making a profit for the first time, the commission would like to be free to distribute the money where it is needed.

Senator Wagner asked what the financial picture is of the greyhound track. Mrs. Brandsness replied they are averaging approximately \$100,000 a night in pari-mutuel and may be up to \$130,000 to \$150,000 average in six months. The track averages 1650 persons per performance and eight performances per week. The maximum capacity is approximately 3500 people.

Regarding Section eight, line 31, Mrs. Brandsness stated they are very interested in improving Nevada's breeding program. Nevada is losing a tremendous amount of money each year because of shipping the animals out of state. Her concern on line 31 is limiting the program to Nevada-bred thoroughbred or quarter horse since there is interest in racing other types of horses. She stated she would like that paragraph amended to delete a designated horse and leave it up to the commission to be able to establish the breeder's awards. They are asking the finance committee for \$50,000 for breeder's award programs, for purse supplementations on the racing circuit and for promotion. More revenue can be produced if the quality of the racing improves. Senator Keith Ashworth stated the racing commission should be entitled to financing since they will be contributing revenue to the state. Mrs. Brandsness said the most important thing now is purse supplements on the rural fair circuit and the second thing is the breeder's award program.

Under Section nine, page three, the commission has no problem with that portion of the bill. On page four, Section 10, line 11, which reads, "1 percent of which shall be paid to the city . . ." Mrs. Brandsness stated the commission within the next six months is going to be faced with the problem of two applications in the northern part of the state for tracks. The commission does not feel the community could support two racetracks. Under the present law, they are required to demand that anyone who wants to run greyhounds must also run horses.

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Mrs. Brandsness stated she felt horse racing will be a lot more successful in southern Nevada than what people think and that horse racing and dog racing on the same track should be compatible. A copy of the Testimony of Sharon Brandsness is attached hereto as Exhibit E.

I. R. Ashleman, representing the Northern Nevada Racing Association, stated they do not have a position on whether the commissioners should or should not be allowed to run dogs or horses in the state of Nevada. The only position they do have is if they are going to be permitted to run horses, the same provisions should apply as for running dogs.

Chairman Close stated the work session would be scheduled for Thursday, February 19 at 9:00 o'clock.

There being no further business, the meeting was adjourned at 10:20 a.m.

Respectfully submitted by:

  
Iris Parraguirre, Secretary

APPROVED BY:

  
Senator Melvin D. Close, Chairman

Date: 2-23-81

SENATE AGENDA

Exhibit A

COMMITTEE MEETINGS

Committee on JUDICIARY, Room 213.

Day Monday, Date February 16, Time 9:00 a.m.

S. B. 183--Reestablishes Nevada racing commission and reenacts and amends Nevada Racing Act.

ATTENDANCE ROSTER FORM

COMMITTEE MEETINGS

SENATE COMMITTEE ON JUDICIARY

EXHIBIT B

DATE: February 16, 1981

PLEASE PRINT <u>NAME</u>	PLEASE PRINT <u>ORGANIZATION &amp; ADDRESS</u>	PLEASE PRINT <u>TELEPHONE</u>
<i>J.P. Ashleman</i>	<i>No. Nev. Racing Assoc.</i>	<i>456-6150</i>
<i>Don Miles</i>	<i>Dep. Fiscal Analyst LEB</i>	
<i>Ed [unclear]</i>	<i>R-T</i>	
<i>Jack [unclear]</i>	<i>G-D</i>	
<i>Adrian Crossley</i>	<i>LEB - Audit</i>	
<i>Steven [unclear]</i>	<i>Nev. Racing Comm.</i>	
<i>[unclear]</i>	<i>Nev. Racing Comm.</i>	
<i>Nicholas [unclear]</i>	<i>attorney General</i>	<i>731-3150</i>

STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING  
CAPITOL COMPLEX  
CARSON CITY, NEVADA 89710



ARTHUR J. PALMER, Director  
(702) 885-5627

LEGISLATIVE COMMISSION (702) 885-5627

KEITH SHWORTH, Senator, Chairman

Arthur J. Palmer, Director, Secretary

INTERIM FINANCE COMMITTEE (702) 885-5640

DONALD R. MELLO, Assemblyman, Chairman

Ronald W. Sparks, Senate Fiscal Analyst

William A. Bible, Assembly Fiscal Analyst

**EXHIBIT C**

FRANK W. DAYKIN, Legislative Counsel (702) 885-5627

JOHN R. CROSSLEY, Legislative Auditor (702) 885-5620

ANDREW P. GROSE, Research Director (702) 885-5637

February 10, 1981

Senator Melvin D. Close, Jr.  
Chairman of the  
Judiciary Committee  
Legislative Building  
Carson City, Nevada 89710

Dear Senator Close:

Senate Bill 183 is currently before your Committee. Section 7 on Page 3, lines 6 through 19 provides for the abolishment of the Nevada Racing Commission Fund. The bill, however, does not provide for the disposition of the assets of that fund upon its abolishment. Accordingly, we would like to suggest a new section to the bill to read as follows.

When the State Controller closes the books for the fiscal year ended June 30, 1981, he shall transfer any assets remaining in the Nevada Racing Commission Fund to the State General Fund.

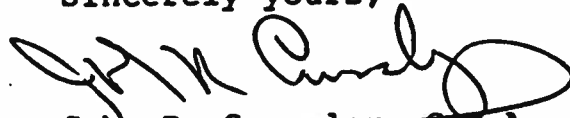
The Racing Commission will be collecting license and tax money. The disposition of these monies was provided for in NRS 466.080(1), (2) and (3), which are being repealed by this bill. Accordingly, we would like to suggest the bill be amended to provide for the following:

All money collected by the Commission must be deposited with the State Treasurer for credit to the Racing Commission account in the State General Fund. The State Controller, acting upon the collection data furnished by the Commission shall transfer one-fourth of the money paid to the Commission for greyhound races to the intergovernmental trust fund and distribute such money in accordance with NRS 466.125.

Senator Melvin D. Close, Jr.  
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We are available to discuss this bill with you. Also, when this bill is heard by your Committee, we will be present to testify regarding this amendment.

Sincerely yours,



John R. Crossley, C.F.A.  
Legislative Auditor

JRC:bjs

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EXHIBIT D

Mr. James Coleman Jr., Member on the Review of the National Policy Toward Gambling:

Mr. Coleman asked Mr. Goodman: Just short, do you have the right as a horse owner and Commission member to race your animals in the state?

Mr. Goodman: Yes, sir. I could embroider that just this much, because that has been asked over and over. The safeguards at any race track, no Commissioner could effect the outset of a race.

Statement of Warren Schweder,  
Executive Vice President of  
NASRC:

"I see nothing wrong with State Racing Commissioners racing their own horses... in fact, in Kentucky the Commissioners are required to race their horses."

"If a horse owned by a Commissioner was involved in an infraction, the stewards bend over backwards not to show favoritism, so it is actually more stringent on the Commissioners."

"In all my years of being associated with racing, I've never seen a conflict arise from Commissioners running their own horses."

SHARON GREENE BRANDSNESS  
COMMISSION CHAIRMAN  
3101 S. MARYLAND PARKWAY  
SUITE 310  
LAS VEGAS, NEVADA 89109



EXHIBIT E

Arthur Ham, Jr.  
Commissioner  
LAS VEGAS, NEVADA

PAUL PRICE  
COMMISSIONER  
968 TAM-O-SHANTER  
LAS VEGAS, NEVADA 89109

BOYD SYMES  
COMMISSIONER  
P.O. BOX 592  
MCGILL, NEVADA 89318

Roy Young

Commissioner  
ELKO, NEVADA 89801

NEVADA STATE RACING COMMISSION

3101 S. MARYLAND PARKWAY  
SUITE 310  
LAS VEGAS, NEVADA 89109

TESTIMONY OF SHARON BRANDSNESS RE: S.B. 67 & S.B. 183

The real primary question that is being addressed here today is "how the needs of Nevada can be best served, and its integrity protected in the sport of racing."

The racing commission has been most diligent in implementing the law as written by the Legislature. The history of racing has been slow in blooming in Nevada, and has had some false starts. However, the sport is now flourishing in Southern Nevada and hopefully, in the near future, will be once again thriving in the Northern part of our State. Most importantly, let us not forget the interest of racing has been maintained in our State by places such as Ely, Elko, Winnemucca, Logandale, Fallon and Reno, as well as Las Vegas. Perhaps not consistently in all areas, but we all should give a good deal of recognition to racing that has been in Nevada since 1915. We should give recognition to the men and women of our State who have kept it here and helped it to grow, including the 1979 Legislature who had many doubts that Las Vegas Downs would ever be a reality, but gave us the necessary financial and other support necessary for us to accomplish the January 15th opening of greyhound racing in Clark County.

We are now in a new era. Las Vegas Downs opened with great success, thanks to the venture capital and the management expertise of the Funk Family. The racing

Continue...



Nevada Racing Commission

commission has followed the mandates of the legislature, and has developed a set of regulations after taking extensive comments and suggestions from greyhound owners and breeders, horse owners and breeders, trainers and other racing experts recognized in this highly specialized and complex field. We have also sought and received much valuable advice from the track owners.

Our regulations have been put into effect through the efforts of a highly competent staff which was recruited on the basis of their education, experience and specific knowledge of this highly sensitive and specialized area of gaming. And most of all, selected because of the integrity of their character. The State of Nevada will not be embarrassed by this group of fine people. Nevada will not be embarrassed by lack of expertise which will allow inept or lackadaisical regulation. Nevada will also not be embarrassed by over-regulation and capricious regulation as we have witnessed in New Jersey.

The racing commission office and field staff are most responsive to the commission which was appointed by our Governor. A commission whose total goal and desire is to protect the integrity of racing, to guard the health of the animals, to safeguard the interest of the public and racing participants, to make racing a better industry for the State and for the people whose livelihood depends on racing. Each commissioner has been charged, by our Legislature, with maintaining the revenue to the State from racing. But we must remember constantly that the State cannot derive healthy revenues from an unhealthy industry. As the regulators of racing, we must see to it that the industry, which so often seems bent on suicide, is not destroyed by decision making based on a lack of understanding of the industry.

Nevada Racing Commission

Before you consider removing these competent people from the responsibilities they have discharged so well, and without compensation I might add, I would like to review the members individually.

from Elko,  
Roy Young - A long time Nevada rancher /horse owner, former State Assemblyman, and a truly devoted Nevadan whom most of us here today know, respect and would never question his integrity. Mr. Young, for many years, has been actively involved with the Elko County Fair Board <sup>which</sup> sponsors the horse racing held in Elko annually.

Boyd "Suzie" Syme of McGill - He has been a member of the racing commission for almost 25 years. He is among the backbone of racing in Ely, and I challenge anyone to compete with his qualifications to serve on this commission.

Paul Price of Las Vegas - Las Vegas Sun Associate Editor and past owner of the Kentucky Derby hopeful "One Eyed Tom". We are all aware of Mr. Price's dedication for public awareness, and I can personally attest to his vigorous pursuit for excellence in Nevada racing.

As chairman, I have enjoyed many years experience in and around racing, beginning at the age of 13 when I landed my first job as a hot-walker at a California track. Today, my husband and myself are owners and breeders of racing quarter horses.

Our newest member is Arthur Ham, Jr. An attorney from Las Vegas, Mr. Ham's family pioneered top quality throughbred breeding within our State. Today, he himself is an active owner and breeder of racehorses.

This commission has a total of over 100 years combined experience in the racing industry. They are people you know, respect and trust. This commission wants to promote racing, both greyhound and horses, in our state. We want to establish an atmosphere of mutual respect and cooperation among all parties to racing - the horsemen, the jockeys, the greyhound owners and breeders, track management, and the betting public at large. They all represent the individual segments of the industry, and are understandably protective of their own interests. The growing

Nevada Racing Commission

realization among these groups that the racing industry has been hurt by its disunity, has stressed with us the need for a racing commission who knows and understands all aspects of the industry. You presently have a racing commission who has the interest of the people of Nevada and the industry in general, as their number one priority. We are appointed by the Governor with knowledge of the industry in order to support ourselves in the various highly sensitive areas of supervision and decision making.

We do not purport to understand the necessary control measures which must be instituted in a counting room of a casino. Nor do we understand the intricacies of the management of 21, baccarat, craps, slot machine skimming or the control of manufactures of gaming devices and equipment. We do understand, and understand very well indeed, problems associated with racing. We understand how important it is that parimutuel calculations and payoffs be closely scrutinized, which is why our Mutuel Director is on the premises of the race track, behind the cashiers, with complete access to the mutuel machine and the mutuel room, from the very first wager placed for that daily performance, to the last.

We understand the use of non-steroidal anti-inflammatory drugs used in racing, as well as other illegal medications, which is why we were among the first of several states to pass one of the most stringent medication rules.

We understand the use of furosemide for bleeders and its impact on racing.

We are aware of the illegal use of electrical devices by jockeys and trainers and will continue to keep them off Nevada tracks.

We understand the need to use modern technology for improvement of track surfaces and elevations for the safety of our animal athletes, and will continue to work with track management in that area.

We are aware we have to provide necessary funds for research and better pre-race testing procedures for medication violations in order to insure the sport's integrity.

Nevada Racing Commission

We understand the need to promote Nevada as a State to breed horses and greyhounds as well as race them. We will work to enhance our breeder's awards program so we may encourage owners in our State to keep their broodmares and stallions and bitches in Nevada, instead of shipping to other states who end up receiving the economical advantages of the breeding business, which is substantial.

We will also continue to walk the back-stretch at the various racetracks we go to during the year, encouraging owners, trainers and jockeys to winter in Nevada, so we have top jockeys and athletes to perform for quality racing.

And we will continue to stay on top of touting, bookmaking, off-track betting, exotic wagering, hidden ownership interest, detection of undersirables, and the many, many other problems encountered with the sport of racing.

These are but a few of the problems in racing today, the least of which are encompassed in these two bills before your committee. But they are all areas that the racing commission can and does regulate well. We work in conjunction with the gaming control board and enjoy our compatible working relationship with them. We rely heavily on their investigations and their recommendations to us. That is their area of expertise. But neither the gaming control board nor the gaming commission has the background or expertise needed in the area of racing, nor are they expected to. That is what we are for. We will be the first to take your direction and follow your dictates. All I ask is you trust me when I say we know how to operate in an efficient responsible manner, all aspect of racing. Our record - our racing history is testament to this. It is a fact. We can do the job you have given us better than anyone else. We ask you to recognize that racing is an intricate process that begins at the breeding barn, to the birth of an athlete, and flows from the stable or kennel, through the track and into the cashier's window. Please do not destroy or fragment an area of responsibility which is presently in very capable hands. Thank you.