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NEVADA GAMING COMMISSION

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Gaming Policy Committee Chairman

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Executive Secretary

March 25, 2003

Bernie Anderson, Chair
Assembly Judiciary Committee
Nevada Legislature
Carson City, NV

Re: Assembly Bill No. 337, making various changes concerning the rights of ex-felons

Dear Chairman Anderson:

I apologize for not being able to attend the Judiciary Committee hearing on March 26, 2003, with respect to Assembly Bill No. 337. I respectfully request that the following comments be made a part of your record.

The Nevada Gaming Commission has not reviewed or taken an official position on AB337. These comments are based on my personal observations since my appointment as Chairman of the Commission in October, 2001. I believe that certain provisions of AB337 would have a detrimental effect on the ability of the State Gaming Control Board and the Nevada Gaming Commission to carry out the public policies established by the Legislature for the effective regulation of the gaming industry.

The public policies of the State of Nevada are codified at NRS 463.0129, and include a declaration that the continued growth and success of gaming is dependent upon public confidence and trust that licensed gaming is conducted honestly and competitively, free from criminal and corruptive elements. NRS 463.0129(1)(b). In addition, the Legislature has declared that the public's confidence and trust can only be maintained by strict regulation of all persons related to the operation of licensed gaming establishments. NRS 463.0129(1)(c). During my tenure on the Commission, we have consistently relied on these policy pronouncements to guide our decisions on applicants for various gaming approvals. The existing statutes and practices of the Board and Commission allow appropriate review of the criminal records of such applicants, so decisions can be made consistent with the Legislature's policy directives and the rights of those applicants.

ASSEMBLY JUDICIARY

DATE: 3/26/03 ROOM: 3138 EXHIBIT 2

SUBMITTED BY: DENNIS NELANON

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Bernie Anderson, Chair

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I believe that three sections of AB337 will unnecessarily restrict the Board and Commission in meeting its responsibilities, without providing appreciable benefits to applicants with criminal histories. In particular, please note the following:

1. Section 3 of AB337 would amend NRS 179.301 to prohibit the Board and Commission from inquiring into, inspecting or relying on criminal records relating to gaming, if those records have been sealed. I believe that the public's confidence in the honesty and integrity of the gaming industry would be adversely affected, if convictions for gaming-related crimes could not be considered in licensing or permitting decisions. This may allow individuals who have committed gaming-related crimes to be licensed and employed in the industry, even where their crimes may have altered the outcome of games and cheated the gambling public. I believe this is inconsistent with the policies of NRS 463.0129.

2. Section 6 of AB337 would amend NRS 179C.170 to prohibit Board and Commission access to statements or fingerprints of applicants for gaming approvals. These items are key components of licensing and permitting investigations, on which Board and Commission decisions are based. Without access to such statements or fingerprints, the Board and Commission will be deprived of such key information and less able to carry out the Legislature's policies.

3. Section 21 of AB337 would amend NRS 463.335 (12) to prohibit the Board and Commission from using the attempt, conspiracy or commission of a felony or gross misdemeanor as grounds for objecting to the issuance of or refusing to issue a work permit. I believe that the existing NRS 463.336(12)(d) allows the Board and Commission to consider an applicant's criminal record in the context of the particular facts and circumstances presented. AB337 may lead to a hard-and-fast rule, which may exclude persons who would otherwise receive a permit, and include persons who would otherwise present a danger to the gaming industry. Therefore, I do not believe that Section 21 will provide any benefit to ex-felons and may jeopardize effective gaming control.

Again, I apologize for not being able to attend the hearing in person, and I also apologize for the length of this submission. However, AB337 raises significant concerns in my mind, and I appreciate the Committee taking these comments into consideration as it reviews this bill.

Very truly yours,


PETER C. BERNHARD, Chairman
Nevada Gaming Commission

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