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## Gaming; Collection of Gaming Debts

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## Gaming; collection of gaming debts

NEV. REV. STAT. §463.— (new); §463.371 (amended).  
SB 335 (Glover); 1983 STAT. Ch 344  
(Effective May 17, 1983)

Prior case law held that obligations to pay gaming debts were *void* and unenforceable.<sup>1</sup> With the enactment of Chapter 344, however, credit instruments accepted on or after June 1, 1983, are *valid* and *legally* enforceable.<sup>2</sup> Chapter 344 defines an acceptable credit instrument as a writing that evidences a gaming debt to a person<sup>3</sup> who holds a nonrestricted license<sup>4</sup> at the time the debt was created, including any writing taken in consolidation, redemption, or payment of a prior credit instrument.<sup>5</sup> To satisfy the writing requirement, the credit instrument must (1) be signed by the patron,<sup>6</sup> (2) be dated by the patron,<sup>7</sup> and (3) state the amount of the debt in figures.<sup>8</sup> Moreover, the credit instrument may not be postdated and must be complete, or capable of being lawfully completed as a check.<sup>9</sup>

Unless the credit instrument is to be redeemed by the patron,<sup>10</sup> Chapter 344 requires that it be presented to a bank for collection or payment within a specified time.<sup>11</sup> In addition, when a credit instrument is redeemed by the patron through the use of another credit instrument, the redeeming credit instrument must be presented to a bank for collection or payment within the time limitation specified for the oldest credit instrument redeemed.<sup>12</sup> A failure to present a credit in-

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1. *Sea Air Support, Inc. v. Herrmann*, 96 Nev. 574, 575, 613 P.2d 413, 414 (1980); *West Indies v. First National Bank*, 67 Nev. 13, 35, 214 P.2d 144, 155 (1950); *Burke v. Buck*, 31 Nev. 74, 78-79, 99 P. 1078, 1080 (1909); *Scott v. Courtney*, 7 Nev. 419, 420-21 (1872).

2. 1983 Nev. Stat. c. 344, §3(1), at 828.

3. NEV. REV. STAT. §463.0183 (definition of person).

4. *Id.* §463.0177 (definition of nonrestricted license).

5. 1983 Nev. Stat. c. 344, §2, at 828. Compare NEV. REV. STAT. §463.371 (amended by 1983 Nev. Stat. c. 344, §4(4), at 830) with 1981 Nev. Stat. c. 647, §2(4), at 1543 (amending NEV. REV. STAT. §463.371).

6. 1983 Nev. Stat. c. 344, §3(2)(a), at 828.

7. *Id.* c. 344, §3(2)(b), at 828.

8. *Id.* c. 344, §3(2)(c), at 828.

9. *Id.* c. 344, §3(3), at 828; see also NEV. REV. STAT. §104.3104(2)(b) (definition of a check).

10. 1983 Nev. Stat. c. 344, §§3(5), 3(7) at 828-29 (the instrument may normally be redeemed in whole or in part by gaming tokens, cash, or another credit instrument).

11. *Id.* c. 344, §3(4), at 828 (the time restrictions are 45, 90, or 120 calendar days depending on whether the amount is \$5,000 or less, over \$5,000 but not over \$50,000, or more than \$50,000 respectively).

12. *Id.* c. 344, §3(6), at 828; see *id.* c. 344, §3(4), at 828. If, however, the redeeming credit instrument is for more than \$5,000 but not more than \$50,000, then the instrument must be presented within 90 calendar days of the oldest instrument redeemed. *Id.* c. 344, §3(6)(a), at 828.

strument to a bank within the time restrictions of Chapter 344, however, does not affect its legal validity or enforceability,<sup>13</sup> but will subject the licensee to the penalties imposed by the Nevada Gaming Commission.<sup>14</sup>

The provisions of Chapter 344 permit a licensee to accept redeeming credit instruments from a patron on or after June 1, 1983, only if *all* credit instruments accepted from the patron before June 1, 1983, are paid.<sup>15</sup> Furthermore, a patron cannot redeem a credit instrument dated before June 1, 1983, by creating a new credit instrument dated on or after June 1, 1983.<sup>16</sup> Finally, Chapter 344 explicitly states that its provisions are neither retroactive,<sup>17</sup> nor do they affect the establishment of an account by a deposit of cash or instruments equivalent to cash.<sup>18</sup>

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Furthermore, if the redeeming credit instrument is for more than \$50,000, then the instrument must be presented within 120 calendar days after the date of the oldest instrument redeemed. *Id.* c. 344, §3(6)(b), at 828.

13. *Id.* c. 344, §3(8), at 829.

14. *Id.* c. 344, §3(10), at 829; *see also* NEV. REV. STAT. §463.0145 (definition of Nevada Gaming Commission); *id.* §463.310(4) (generally the commission may limit, condition, suspend or revoke the license, keep the licensee off the premises, withhold the licensee's remuneration or profits, and impose a fine).

15. 1983 Nev. Stat. c. 344, §3(5), at 828; *id.* c. 344, §3(7), at 829.

16. *Id.* c. 344, §3(7), §3(5), at 828, 829.

17. *Id.* c. 344, §5, at 830.

18. *Id.* c. 344, §3(9), at 829.

## Gaming; administrative resolution of gaming disputes

NEV. REV. STAT. §463.— (new).

AB 536 (Vergiels); 1983 STAT. Ch 582

(Effective May 26, 1983)

Chapter 582 creates a new procedure for the resolution of gaming debt disputes initiated by a patron against a licensee.<sup>1</sup> In addition, an equal opportunity for judicial review is provided to both parties upon a final decision or order of the Nevada Gaming Control Board<sup>2</sup> (hereinafter referred to as the Board).

### *Prior Administrative Procedures*

Prior to the enactment of Chapter 582, administrative procedures existed for dealing with claims brought by a patron regarding a disputed

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1. 1983 Nev. Stat. c. 582, §§2-8, at 1846-47; NEV. REV. STAT. §463.0171 (definition of licensee).

2. *See* 1983 Nev. Stat. c. 582, §6(1), at 1847.