



Pacific Law Journal Review of Selected Nevada Legislative

Volume 1987 | Issue 1

Article 84

1-1-1987

Gaming; licensing and control

University of the Pacific, McGeorge School of Law

Follow this and additional works at: <https://scholarlycommons.pacific.edu/nlr>



Part of the [Legislation Commons](#)

Recommended Citation

University of the Pacific, McGeorge School of Law, *Gaming; licensing and control*, 1987 U. PAC. L. REV. (2019).

Available at: <https://scholarlycommons.pacific.edu/nlr/vol1987/iss1/84>

This Legislative Review is brought to you for free and open access by the Journals and Law Reviews at Scholarly Commons. It has been accepted for inclusion in Pacific Law Journal Review of Selected Nevada Legislative by an authorized editor of Scholarly Commons. For more information, please contact mgibney@pacific.edu.

Gaming; licensing and control

NEV. REV. STAT. § 463.____ (new); §§ 463.0129, 463.0161, 463.3407, 463.366 (amended).

SB 194 (Committee on Judiciary); 1987 STAT. Ch 550

Under existing law, any communication of an applicant or licensee,¹ required by the State Gaming Board (Board) or the Nevada Gaming Commission (Commission) is absolutely privileged.² In addition, such communications are immune from any liability including defamation.³ Chapter 550 extends this absolute privilege to any communication of an applicant or licensee that is required by a subpoena issued by the Board or Commission.⁴ Any communication that is privileged pursuant to another provision⁵ is not waived or lost because the document is disclosed to the Board, Commission, or their agents or employees.⁶

Existing law further provides that a licensee must pay a patron's claim within 20 days after the decision of the Board becomes final.⁷ With the enactment of Chapter 550, if a licensee files a petition for judicial review of the Board's decision, the licensee must deposit an amount equal to the amount in dispute in an interest-bearing account.⁸

1. See NEV. REV. STAT. § 463.0171 (definition of licensee).

2. *Id.* § 463.3407 1 (amended by 1987 Nev. Stat. ch. 550, sec. 4, at ____).

3. *Id.*

4. 1987 Nev. Stat. ch. 550, sec. 4, at ____ (amending NEV. REV. STAT. § 463.3407 1(b)).

5. See generally *id.* §§ 49.035-49.325 (professional privileged relationships).

6. 1987 Nev. Stat. ch. 550, sec. 4, at ____ (enacting NEV. REV. STAT. § 463.3407 2). The Board, Commission or their agents and employees must not release or disclose any information provided by an applicant or licensee that is professionally privileged, without the applicant or licensee's prior written consent, or pursuant to a lawful court order after timely notice of the proceedings has been given to the applicant or licensee. 1987 Nev. Stat. ch. 550, sec. 4, at ____ (enacting NEV. REV. STAT. § 463.3407 3(a)). The legislature has found and declared that the gaming industry is vitally important to the economy of the state and the general welfare of the inhabitants. NEV. REV. STAT. § 463.0129 1(a). Chapter 550 amends existing law in order to promote the growth and success of gaming through public confidence and trust, by providing for the protection of creditors of licensees. 1987 Nev. Stat. Ch. 550, sec. 2, at ____ (amending NEV. REV. STAT. § 463.0129 1(b)). Furthermore, the continued growth and success of gaming is dependent upon public confidence and trust that licensed gaming is conducted honestly and competitively and that gaming is free from criminal and corruptive elements. *Id.* § 463.0129 1(b).

7. *Id.* § 463.366 (amended by 1987 Nev. Stat. ch. 550, sec. 5, at ____). See generally *id.* §§ 463.362-.366 (procedures for judicial review of gaming debt not evidenced by a credit instrument).

8. 1987 Nev. Stat. ch. 550, sec. 5, at ____ (enacting NEV. REV. STAT. § 463.366 2). The licensee must pay the full amount of the patron's claim, including interest, within 20 days after a final, nonappealable order of a court of competent jurisdiction. *Id.* Not including the total of all cash paid out as losses to patrons, all amounts paid to patrons over several years

Under existing law, gross revenue includes the total of all: (a) Cash received as winnings; (b) cash received as payments for credit extended by a licensee to a patron for purposes of gaming; and (c) compensation received for conducting any game in which the licensee is not party to a wager.⁹ Chapter 550 provides that cash or the value of noncash prizes awarded to patrons in contests or tournaments are not losses.¹⁰ Chapter 550 redefines gross revenue to exclude: (a) Revenues from counterfeit money, (b) tokens or coins of other countries received in gaming devices, (c) cash taken in fraudulent acts perpetuated against a licensee for which licensee is not reimbursed, or (d) cash received from patrons as entry fees for contests or tournaments.¹¹ Moreover, Chapter 550 provides that the following may not be enforced without the prior approval of the commission and compliance with regulations: (1) a security interest¹² in a gaming device; (2) the proceeds from the operation of a gaming device, game, race book or sports pool; (3) a security issued by a corporation that is a holder of a gaming license in the state; (4) or a security issued by a holding company of such a corporation other than a corporation whose stock is publicly traded.¹³

EAW

by independent financial institutions, and any other items made deductible as losses by the computation of gross revenue. *Id.* § 463.0161 (amended by 1987 Nev. Stat. ch. 550, sec. 3, at ____). See generally *id.* § 463.3715 (computation of gross revenue).

9. *Id.* § 463.0161 1 (amended by 1987 Nev. Stat. ch. 550, sec. 3, at ____).

10. 1987 Nev. Stat. ch. 550, sec. 3, at ____ (amending NEV. REV. STAT. § 463.0161 1).

11. *Id.*

12. *Id.* § 104.1201 36 (definition of security interest).

13. 1987 Nev. Stat. ch. 550, sec. 1, at ____ (enacting NEV. REV. STAT. § 463.____ 1(e)).

These provisions of subsection one do not apply to a distributor or manufacturer licensed by the commission to distribute gaming devices. 1987 Nev. Stat. ch. 550, sec. 1, at ____ (enacting NEV. REV. STAT. § 463.____ 3). Any remedy provided by the commission for the enforcement of such a security interest is in addition to any remedy provided by law. 1987 Nev. Stat. ch. 550, sec. 1, at ____ (enacting NEV. REV. STAT. § 463.____ 2).