

**MINUTES OF THE
SENATE COMMITTEE ON JUDICIARY**

**Seventy-Seventh Session
April 17, 2013**

The Senate Committee on Judiciary was called to order by Chair Tick Segerblom at 9:08 a.m. on Wednesday, April 17, 2013, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Tick Segerblom, Chair
Senator Ruben J. Kihuen, Vice Chair
Senator Aaron D. Ford
Senator Justin C. Jones
Senator Greg Brower
Senator Scott Hammond
Senator Mark Hutchison

GUEST LEGISLATORS PRESENT:

Assemblyman William C. Horne, Assembly District No. 34

STAFF MEMBERS PRESENT:

Mindy Martini, Policy Analyst
Nick Anthony, Counsel
Lynn Hendricks, Committee Secretary

OTHERS PRESENT:

Quentin Byrne, Acting Administrator, Offender Management Division,
Department of Corrections
A. G. Burnett, Chair, State Gaming Control Board

Chair Segerblom:

I will open the hearing on Assembly Bill (A.B.) 43.

ASSEMBLY BILL 43: Clarifies provisions governing credits earned by an offender which reduce the offender's term of imprisonment. (BDR 16-318)

Quentin Byrne (Acting Administrator, Offender Management Division, Department of Corrections):

This bill is a housekeeping proposal for the Department of Corrections. Statute allows inmates to earn time credits for certain activities. For example, inmates who complete their high school diplomas earn 90 credits. If an inmate were to earn those 90 credits within a week of the expiration of his sentence, applying all those credits makes it look like he has been imprisoned for 83 days past the end of his sentence. Assembly Bill 43 allows us to award up to the amount of credits needed to discharge or expire the inmate's sentence.

Chair Segerblom:

Was this bill prompted by a specific situation?

Mr. Byrne:

No. The bill is intended to avoid such situations. It will also help us clean up our statistics so we can make more accurate predictions on the staffing we need.

Chair Segerblom:

If the situation in your example were to happen, would the inmate be released a week early, or does the processing time take a week?

Mr. Byrne:

The processing does not take that long. If inmates walk the paperwork through, we can release them within a day or two.

Senator Hutchison:

Part of this statute talks about potential violations of the U.S. Constitution or the Nevada Constitution. What are the issues there?

Mr. Byrne:

The concern was that we do not intend to apply this retroactively to take away days already earned. We will be doing this going forward, but we are not going backwards, taking time credits from inmates who have already earned them.

Senator Ford:

Essentially, you are letting the general public know that you are not applying this retroactively, so you do not have to worry about a constitutional challenge to this new policy.

Mr. Byrne:

Correct.

SENATOR FORD MOVED TO DO PASS A.B. 43.

SENATOR JONES SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Segerblom:

I will open the hearing on A.B. 127.

ASSEMBLY BILL 127: Authorizes the Nevada Gaming Commission to adopt a seal identifying certain licensees of interactive gaming and prohibits the unauthorized use of such a seal. (BDR 41-99)

Assemblyman William C. Horne (Assembly District No. 34):

To ensure Nevada's expansion into Internet gambling moves ahead smoothly, the State Gaming Control Board and the Nevada Gaming Commission must first draft and adopt rules and regulations governing such gambling. Assembly Bill 127 allows for the development of an electronic seal to clearly identify interactive gaming licensees and protect consumers. It also provides criminal penalties and fines for unauthorized use of this seal in order to deter fraudulent activity. It is important to have such a system in place to protect consumers from fraudulent interactive gaming Websites, mobile applications or other means of fraudulent interactive gaming. My idea was for this seal to show online players which sites have been licensed by Nevada. That was the impetus of the bill.

Chair Segerblom:

Will there be a fee for the seal?

Assemblyman Horne:

A Website licensed by Nevada will receive the right to use the seal as part of the licensing fee. Our hope is that Nevada's seal will be more valuable than the seal of other states.

Senator Hutchison:

My recollection of previous discussions is that there are no statutory issues here. This is something that can be handled from a regulatory standpoint.

Assemblyman Horne:

In the initial discussions about A.B. 127, I was told there would not be any problem about that.

Chair Segerblom:

Who will design the seal?

A. G. Burnett (Chair, State Gaming Control Board):

We have a concept for the seal. There is a State Gaming Control Board seal, and we can prepare a Nevada Gaming Commission seal.

We are in full support of A.B. 127. Just yesterday, my technology division chief called about an Internet site that purported to be approved by the Commission for its interactive services. We immediately had the Attorney General's Office send the site a cease-and-desist letter. The seal would be a stamp of approval indicating that an interactive gaming Website has been vetted and approved by the Commission. As for the enforcement mechanism, we will be notified when Websites that are not approved utilize seals or indicate they have received approvals they do not have.

Senator Ford:

I am happy to support A.B. 127, but I am surprised you do not already have the authority to do this.

Mr. Burnett:

We do, but that authority is not specific to an Internet seal. Over the years, we have dealt with these matters in other contexts. For example, we frequently have discovered manufacturers and distributors of gaming devices that tell the world they are licensed by Nevada when they are not, and we have gone after them. I believe Assemblyman Horne's intent is to make it clear in the world of

interactive gaming that they are not to use any stamp of approval from Nevada without our approval.

Senator Ford:

You are saying that A.B. 127 is intended to emphasize that we will not allow fraudulent use of the seal and will prosecute operators who pretend their Websites are licensed when they are not.

Mr. Burnett:

Yes.

Chair Segerblom:

Will you have a definition of the meaning of the seal available online?

Mr. Burnett:

Our Regulation 5A.150 regarding interactive operators specifies that operators must post on their Websites that the Websites have been approved and vetted by the Board and the Commission. This new statutory amendment will allow us to include the seal in that regulation.

Senator Hutchison:

Have there been instances where you have pursued foreign entities for intellectual property rights enforcements and claims that Nevada has issued a seal of approval?

Mr. Burnett:

To date, we have not encountered any foreign entities attempting to utilize a Nevada stamp of approval. As a litigator, I know that your first question is one of jurisdiction. It is very hard to get jurisdiction over a foreign entity. We have found that a simple cease-and-desist letter usually does the trick. As for intellectual property enforcement, when someone has taken intellectual property

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from a licensee, generally we allow those parties to litigate the matter between themselves.

SENATOR HUTCHISON MOVED TO DO PASS A.B. 127.

SENATOR KIHUEN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Segerblom:

Is there any public comment? Hearing none, the meeting is adjourned at 9:21 a.m.

RESPECTFULLY SUBMITTED:

Lynn Hendricks,
Committee Secretary

APPROVED BY:

Senator Tick Segerblom, Chair

DATE: _____

<u>EXHIBITS</u>				
Bill	Exhibit		Witness / Agency	Description
	A	1		Agenda
	B	1		Attendance Roster