

ASSEMBLY BILL NO. 583—COMMITTEE ON JUDICIARY

MARCH 15, 1999

Referred to Committee on Judiciary

SUMMARY—Revises provisions related to gaming. (BDR 41-1319)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

AN ACT relating to gaming; providing that play is void if gaming device malfunctions; revising the public policy of this state concerning gaming to recognize the value of the proper exercise of business judgment by licensees; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE
AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 463 of NRS is hereby amended by adding thereto
a new section to read as follows:

***1. A person who is playing or operating a gaming device is not
entitled to receive cash, premiums, merchandise, tokens or anything of
value if:***

***(a) The device or associated equipment used in connection with the
device malfunctions;***

***(b) The record of the malfunction is stored in the computerized
memory of the device or associated equipment; and***

***(c) The device displays an externally visible notice to players that any
malfunction of the device or its associated equipment voids the play.***

***2. The person playing or operating a gaming device when it
malfunctions is entitled to a refund of the wager made on the voided
play.***

Sec. 2. NRS 463.0129 is hereby amended to read as follows:

463.0129 1. The legislature hereby finds, and declares to be the
public policy of this state, that:

(a) The gaming industry is vitally important to the economy of the state
and the general welfare of the inhabitants.

1 (b) The continued growth and success of gaming is dependent upon
2 public confidence and trust that licensed gaming is conducted honestly and
3 competitively, that establishments where gaming is conducted and where
4 gambling devices are operated do not unduly impact the quality of life
5 enjoyed by residents of the surrounding neighborhoods, that the rights of
6 the creditors of licensees are protected, *that the value of the proper*
7 *exercise of business judgment by licensees is recognized* and that gaming
8 is free from criminal and corruptive elements.

9 (c) Public confidence and trust can only be maintained by strict
10 regulation of all persons, locations, practices, associations and activities
11 related to the operation of licensed gaming establishments and the
12 manufacture or distribution of gambling devices and equipment.

13 (d) All establishments where gaming is conducted and where gambling
14 devices are operated, and manufacturers, sellers and distributors of certain
15 gambling devices and equipment must therefore be licensed, controlled
16 and assisted to protect the public health, safety, morals, good order and
17 general welfare of the inhabitants of the state, to foster the stability and
18 success of gaming and to preserve the competitive economy and policies of
19 free competition of the State of Nevada.

20 (e) To ensure that gaming is conducted honestly, competitively and free
21 of criminal and corruptive elements, all gaming establishments in this state
22 must remain open to the general public and the access of the general public
23 to gaming activities must not be restricted in any manner except as
24 provided by the legislature.

25 2. No applicant for a license or other affirmative commission approval
26 has any right to a license or the granting of the approval sought. Any
27 license issued or other commission approval granted pursuant to the
28 provisions of this chapter or chapter 464 of NRS is a revocable privilege,
29 and no holder acquires any vested right therein or thereunder.

30 3. This section does not:

31 (a) Abrogate or abridge any common law right of a gaming
32 establishment to exclude any person from gaming activities or eject any
33 person from the premises of the establishment for any reason; or

34 (b) Prohibit a licensee from establishing minimum wagers for any
35 gambling game or slot machine.

36 **Sec. 3.** This act becomes effective upon passage and approval.