

SENATE BILL NO. 86—SENATOR NEAL

FEBRUARY 3, 1999

Referred to Committee on Government Affairs

SUMMARY—Prohibits certain persons with gaming interests from making campaign contributions to candidates, political parties and certain groups. (BDR 24-688)

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

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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 campaign practices; prohibiting applicants for and holders of a nonrestricted gaming license and affiliates, agents and certain employees thereof from making campaign contributions to candidates, political parties and certain groups; prohibiting candidates, political parties and certain groups from accepting campaign contributions from such persons; providing a penalty; and providing other matters properly relating thereto.

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

- 1 **Section 1.** 1. The legislature hereby finds and declares that:
2 (a) Gaming is vitally important to the economy of this state and to the
3 general welfare of its inhabitants.
4 (b) The continued growth and success of gaming is dependent upon
5 public confidence and trust that licensed gaming is conducted honestly and
6 competitively and that gaming is free from criminal and corruptive
7 elements.
8 (c) Public confidence and trust in gaming can only be maintained by
9 strict regulation of gaming that is enacted and enforced by public officers
10 who make decisions and take action free from the influence of or the
11 appearance of the influence of persons with gaming interests.
12 (d) Applicants for and holders of a nonrestricted gaming license possess
13 substantial financial assets which may be used to make contributions to candidates
14 for public office, political parties and other groups that support
15 a candidate or political party.

1 (e) Direct and indirect contributions by applicants for and holders of a
2 nonrestricted gaming license and affiliates, agents and key employees
3 thereof may allow the influence or cause the appearance of influence of
4 those gaming interests in the decision making and actions of public officers
5 that regulate gaming.

6 (f) To ensure that gaming is conducted honestly, competitively and free
7 of criminal and corruptive elements and to maintain the impartiality of the
8 public officers that regulate gaming, applicants for and holders of a
9 nonrestricted gaming license and affiliates, agents and key employees
10 thereof must be prohibited from making contributions to a candidate for
11 public office, to a political party and to a group, committee or association
12 that supports a candidate or political party.

13 2. The legislature hereby determines that such a prohibition furthers the
14 compelling state interest of maintaining the integrity of and impartiality in
15 the regulation of gaming and in the political process.

16 **Sec. 2.** Chapter 294A of NRS is hereby amended by adding thereto a
17 new section to read as follows:

18 **1. A person who is:**

19 **(a) An applicant for a nonrestricted gaming license;**

20 **(b) A holder of a nonrestricted gaming license;**

21 **(c) An affiliate of an applicant for or holder of a nonrestricted gaming**
22 **license;**

23 **(d) An officer, director or key employee of an applicant for or holder**
24 **of a nonrestricted gaming license or an affiliate thereof; or**

25 **(e) An agent acting on behalf of a person set forth in paragraphs (a)**
26 **to (d), inclusive,**

27 **shall not make a contribution or contributions to a candidate for any**
28 **public office, except a federal office, to a political party or to a group,**
29 **committee or association organized to support a candidate or political**
30 **party.**

31 **2. A candidate, political party or group, committee or association**
32 **organized to support a candidate or political party shall not accept a**
33 **contribution made in violation of subsection 1.**

34 **3. A person who willfully violates any provision of this section is**
35 **guilty of a category E felony and shall be punished as provided in NRS**
36 **193.130.**

37 **4. As used in this section:**

38 **(a) "Affiliate" has the meaning ascribed to it in NRS 463.0133.**

39 **(b) "Key employee" means:**

40 **(1) A person who is designated as a key employee of a holder of a**
41 **nonrestricted gaming license pursuant to a regulation adopted by the**
42 **Nevada gaming commission; and**

1 ***(2) A person who is employed by an applicant for a nonrestricted***
2 ***gaming license and who would otherwise be designated as a key***
3 ***employee of the applicant pursuant to a regulation adopted by the***
4 ***Nevada gaming commission if the applicant held a nonrestricted gaming***
5 ***license.***

6 ***(c) “Nonrestricted gaming license” has the meaning ascribed to***
7 ***“nonrestricted license” in NRS 463.0177.***

8 **Sec. 3.** NRS 463.150 is hereby amended to read as follows:

9 463.150 1. The commission shall, from time to time, adopt, amend or
10 repeal such regulations, consistent with the policy, objects and purposes of
11 this chapter as it may deem necessary or desirable in the public interest in
12 carrying out the policy and provisions of this chapter.

13 2. These regulations must, without limiting the general powers herein
14 conferred, include the following:

15 (a) Prescribing the method and form of application which any applicant
16 for a gaming license or for a manufacturer’s, seller’s or distributor’s license
17 must follow and complete before consideration of his application by the
18 board.

19 (b) Prescribing the information to be furnished by any applicant or
20 licensee concerning his antecedents, habits, character, associates, criminal
21 record, business activities and financial affairs, past or present.

22 (c) Prescribing the information to be furnished by a licensee relating to
23 his gaming employees.

24 (d) Requiring fingerprinting of an applicant or licensee or employee of a
25 licensee or other methods of identification.

26 (e) Prescribing the manner and procedure of all hearings conducted by
27 the board or commission or any hearing examiner of the board or
28 commission, including special rules of evidence applicable thereto and
29 notices thereof.

30 (f) Requiring any applicant to pay all or any part of the fees and costs of
31 investigation of such applicant as may be determined by the board.

32 (g) Prescribing the manner and method of collection and payment of
33 fees and issuance of licenses.

34 (h) Defining and limiting the area, games and devices permitted, and the
35 method of operation of such games and devices for the purposes of this
36 chapter.

37 (i) Prescribing under what conditions the nonpayment of a gambling
38 debt by a licensee shall be deemed grounds for revocation or suspension of
39 his license.

40 (j) Governing the manufacture, sale and distribution of gambling devices
41 and equipment.

- 1 (k) Requiring any applicant or licensee to waive any privilege with
2 respect to any testimony at any hearing or meeting of the board or
3 commission, except any privilege afforded by the constitutions of the
4 United States or this state.
- 5 (l) Prescribing the qualifications of, and the conditions under which,
6 attorneys, accountants and others are permitted to practice before the board
7 or commission.
- 8 ***(m) Defining key employee for the purposes of this chapter.***
- 9 **Sec. 4.** The amendatory provisions of this act do not apply to offenses
10 that are committed before October 1, 1999.

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