ASSEMBLY BILL NO. 445-ASSEMBLYMAN GUSTAVSON

MARCH 19, 2001

Referred to Committee on Government Affairs

SUMMARY—Establishes certain requirements regarding issuance and validity of work permits. (BDR 20-220)

FISCAL NOTE: Effect on Local Government: Yes.

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Effect on the State: 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 local governments; establishing certain requirements regarding the issuance and validity of work permits for the gaming business and all other businesses; limiting the authority of a local government to require a report concerning the criminal history of an applicant for a work permit under certain circumstances; 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 244 of NRS is hereby amended by adding thereto a new section to read as follows:

1. If a county requires a person to obtain or otherwise possess a work permit to work as a gaming employee or a nongaming employee in the county:

(a) The county shall accept for this purpose a valid work permit issued by the state gaming control board, the licensing authority of another county in this state or the licensing authority of a city in this state.

(b) As a condition of the issuance of such a work permit, the county shall, except as otherwise provided in subsection 2, require an investigation of the applicant's record of criminal history. In conducting the investigation, the county shall forward a complete set of the applicant's fingerprints to the central repository for Nevada records of criminal history and to the Federal Bureau of Investigation for a report concerning the criminal history of the applicant. The investigation need not be limited solely to consideration of the results of the report concerning the criminal history of the applicant.

2. In lieu of requiring an investigation of the applicant's record of

2. In lieu of requiring an investigation of the applicant's record of criminal history at the time of the application, the county shall accept an offer of proof by the applicant that he has been the subject of a similar request for a report concerning his criminal history within 2 years before



the date of the application and that no criminal history was reported. The offer of proof may consist of such evidence as:

- (a) His possession of a permit to carry a concealed weapon issued to him by a governmental agency in this state; or
- (b) Any other document that requires as a prerequisite to its issuance the absence of a criminal record.
- The licensing authority may request confirmation from the central repository for Nevada records of criminal history of the previously issued report and its results.
- 3. Unless suspended or revoked, a work permit issued by a county licensing authority expires on the fifth anniversary of the permittee's birthday, measured from the birthday nearest the date of issuance or renewal. If the date of birth of a permittee is on February 29 in a leap year, for the purposes of this section, his date of birth shall be deemed to be on February 28.
 - 4. As used in this section:

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- (a) "Gaming" has the meaning ascribed to it in NRS 463.0153.(b) "Gaming employee" has the meaning ascribed to it in NRS *463.0157.*
 - (c) "Nongaming employee" means a person who works:
- (1) In an establishment where gaming is conducted and who is not a gaming employee; or
- (2) In a business that is not regulated pursuant to chapter 463 of
- (d) "Work permit" means any card, certificate or permit issued by a licensing authority, whether denominated as a work permit, registration card or otherwise, authorizing the holder to be employed.
 - **Sec. 2.** NRS 179A.080 is hereby amended to read as follows:
- 179A.080 The director of the department is responsible for administering this chapter and may adopt regulations for that purpose. The director shall:
- 1. Adopt regulations for the security of the central repository so that it is adequately protected from fire, theft, loss, destruction, other hazards and unauthorized access.
- 2. Adopt regulations and standards for personnel employed by agencies of criminal justice in positions of responsibility for maintenance and dissemination of information relating to sexual offenses and other records of criminal history.
- 3. Provide for audits of informational systems by qualified public or private agencies, organizations or persons.
- 4. Cause the creation of a database regarding the investigations of criminal histories that are conducted by the central repository whereby the state gaming control board or a city or county licensing authority may inquire of the central repository:
- 45 (a) Whether a particular person has been the subject of an investigation of his criminal history performed by the central repository 46 47 within the 2 years immediately preceding the request for confirmation; 48 and



- (b) If so, whether the investigation produced no criminal history regarding that person.
- **Sec. 3.** Chapter 268 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. If a city requires a person to obtain or otherwise possess a work permit to work as a gaming employee or a nongaming employee in the city:
- (a) The city shall accept for this purpose a valid work permit issued by the state gaming control board, the licensing authority of a county in this state, or the licensing authority of another city in this state.
- (b) As a condition of the issuance of such a work permit, the city shall, except as otherwise provided in subsection 2, require an investigation of the applicant's record of criminal history. In conducting the investigation, the city shall forward a complete set of the applicant's fingerprints to the centrl repository for Nevada records of criminal history and to the Federal Bureau of Investigation for a report concerning the criminal history of the applicant. The investigation need not be limited solely to consideration of the results of the report concerning the criminal history of the applicant.
- 2. In lieu of requiring an investigation of the applicant's record of criminal history at the time of the application, the city shall accept an offer of proof by the applicant that he has been the subject of a similar request for a report concerning his criminal history within 2 years before the date of the application and that no criminal history was reported. The offer of proof may consist of such evidence as:
- (a) His possession of a permit to carry a concealed weapon issued to him by a governmental agency in this state; or
- (b) Any other document that requires as a prerequisite to its issuance the absence of a criminal record.
- The licensing authority may request confirmation from the central repository for Nevada records of criminal history of the previously issued report and its results.
- 3. Unless suspended or revoked, a work permit issued by a city licensing authority expires on the fifth anniversary of the permittee's birthday, measured from the birthday nearest the date of issuance or renewal. If the date of birth of a permittee is on February 29 in a leap year, for the purposes of this section, his date of birth shall be deemed to be on February 28.
 - 4. As used in this section:

- (a) "Gaming" has the meaning ascribed to it in NRS 463.0153.
- (b) "Gaming employee" has the meaning ascribed to it in NRS 463.0157.
 - (c) "Nongaming employee" means a person who works:
- (1) In an establishment where gaming is conducted and who is not a gaming employee; or
- 46 (2) In a business that is not regulated pursuant to chapter 463 of NRS.



(d) "Work permit" means any card, certificate or permit issued by a licensing authority, whether denominated as a work permit, registration card or otherwise, authorizing the holder to be employed.

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Sec. 4. NRS 463.0197 is hereby amended to read as follows: 463.0197 "Work permit" means any card, certificate or permit issued by the board or by a county or city licensing authority, whether denominated as a work permit, registration card or otherwise, authorizing the holder to be employed as [a gaming] an employee by a gaming establishment or other business in this state or to serve as an independent agent. [A document issued by any governmental authority for any employment other than gaming is not a valid work permit for the purposes of this chapter.

Sec. 5. NRS 463.335 is hereby amended to read as follows:

463.335 1. The legislature finds that, to protect and promote the health, safety, morals, good order and general welfare of the inhabitants of the State of Nevada and to carry out the policy declared in NRS 463.0129, it is necessary that the board:

- (a) Ascertain and keep itself informed of the identity, prior activities and present location of all gaming employees and independent agents in the State of Nevada; and
 - (b) Maintain confidential records of such information.
- 2. Except as otherwise provided in [subsections 3 and 4,] subsection 3, a person may not be employed as a gaming employee or serve as an independent agent unless he is the holder of [-
- (a) A valid work permit issued in accordance with the applicable ordinances or regulations of the county or city in which his duties are performed and the provisions of this chapter; or
- (b) A valid work permit issued by the board, if a work permit is not required by either the county or the city.] a valid work permit issued by the board or by a county or city licensing authority.
- 3. An independent agent is not required to hold a work permit if he is not a resident of this state and has registered with the board in accordance with the provisions of the regulations adopted by the commission.
- 4. [A person may be employed as a gaming employee for an operator of a slot machine route and perform duties for his employer in more than one county or city without obtaining a valid work permit for each county or city in which he performs those duties if the person holds:
- (a) A valid work permit issued in accordance with the applicable 38 39 ordinances or regulations of the county or city in which his duties are 40 primarily performed and the provisions of this chapter; or
 - (b) A valid work permit issued by the board, if a work permit is not required by either the county or the city in which his duties are primarily performed.
 - 5. A gaming employee described in subsection 4 shall notify the licensing authority of each city and county in which he performs duties for his employer, other than the licensing authority that issued his valid work permit, that he has obtained a valid work permit pursuant to subsection 4.
 - 6. A work permit issued to a gaming employee or an independent agent must have clearly imprinted thereon a statement that it is valid for



gaming purposes only.] Except as otherwise provided in subsection 5, upon receipt of an application for a work permit, the board shall conduct an investigation of the applicant to determine whether he is eligible for the permit. In conducting the investigation, the board shall forward a complete set of the applicant's fingerprints to the central repository for Nevada records of criminal history and to the Federal Bureau of Investigation for a report concerning the criminal history of the applicant. The investigation need not be limited solely to consideration of the results of the report concerning the criminal history of the applicant.

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- 5. In lieu of requiring an investigation of the applicant's record of criminal history at the time of the application, the board shall accept an offer of proof by the applicant that he has been the subject of a similar request for a report concerning his criminal history within 2 years before the date of the application and that no criminal history was reported. The offer of proof may consist of such evidence as:
- (a) His possession of a permit to carry a concealed weapon issued to him by a governmental agency in this state; or
- (b) Any other document that requires as a prerequisite to its issuance the absence of a criminal record.

The board may request confirmation from the central repository for Nevada records of criminal history of the previously issued report and its results.

- 6. Unless suspended or revoked, such a permit expires on the fifth anniversary of the permittee's birthday, measured from the birthday nearest the date of issuance or renewal. If the date of birth of a permittee is on February 29 in a leap year, for the purposes of this section, his date of birth shall be deemed to be on February 28.
- 7. Whenever any person applies to a county or city licensing authority for the issuance or renewal of a work permit, the county or city officer or employee to whom the application is made shall within 24 hours mail or deliver a copy thereof to the board, and may at the discretion of the county or city licensing authority issue a temporary work permit. If within 90 days after receipt by the board of the copy of the application, the board has not notified the county or city licensing authority of any objection, the authority may issue, renew or deny a work permit to the applicant.
- 8. A gaming employee who is issued a work permit [must obtain renewal of the permit from the issuing agency within 10 days following any change of his place of employment. An independent agent who is issued a work permit must obtain renewal of the permit from the issuing agency within 10 days after executing an agreement to serve as an independent agent within the jurisdiction of the issuing agency.
- 8.1 is eligible for employment in any licensed gaming establishment in this state or any other business in this state until the work permit expires or is revoked. However, each such employee who is employed at a gaming establishment shall notify the board within 10 days following any change of his place of employment at a gaming establishment. The commission shall:
- (a) Facilitate uniform procedures for the issuance of work permits by counties and cities;



- (b) Facilitate the development of uniform criteria for denial by the board, or a county or city licensing authority, of an application for a work permit; and
- (c) Provide for the creation and maintenance of a system of records that contains information regarding the current place of employment of each person who possesses a valid work permit and who is employed in a gaming establishment.
 - **9.** If the board, within the 90-day period, notifies:
 - (a) The county or city licensing authority; and
- (b) The applicant,

that the board objects to the granting of a work permit to the applicant, the authority shall deny the work permit and shall immediately revoke and repossess any temporary work permit which it may have issued. The notice of objection by the board which is sent to the applicant must include a statement of the facts upon which the board relied in making its objection.

[9. Application for a work permit may be made to the board, and may be granted or denied for any cause deemed reasonable by the board.]

- and the board denies such an application, it shall include in its notice of the denial a statement of the facts upon which it relied in denying the application. Except for a permit issued to a person pursuant to subsection 4, a permit issued by the board is valid only in a county or city that does not require a work permit.
- 10.1 11. Any person whose application for a work permit has been denied because of an objection by the board or whose application has been denied by the board may, not later than 60 days after receiving notice of the denial or objection, apply to the board for a hearing. A failure of a person whose application has been denied to apply for a hearing within 60 days or his failure to appear at a hearing of the board conducted pursuant to this section shall be deemed to be an admission that the denial or objection is well founded, and the failure precludes administrative or judicial review. At the hearing, the board shall take any testimony deemed necessary. After the hearing the board shall review the testimony taken and any other evidence, and shall within 45 days after the date of the hearing mail to the applicant its decision sustaining or reversing the denial of the work permit or the objection to the issuance of a work permit.
- [11.] 12. The board may object to the issuance of a work permit or may refuse to issue a work permit for any cause deemed reasonable by the board. The board may object or refuse if the applicant has:
- (a) Failed to disclose or misstated information or otherwise attempted to mislead the board with respect to any material fact contained in the application for the issuance or renewal of a work permit;
- (b) Knowingly failed to comply with the provisions of this chapter or chapter 463B, 464 or 465 of NRS or the regulations of the commission at a place of previous employment;
- (c) Committed, attempted or conspired to commit any crime of moral turpitude, embezzlement or larceny or any violation of any law pertaining to gaming, or any crime which is inimical to the declared policy of this state concerning gaming;



(d) Committed, attempted or conspired to commit a crime which is a felony or gross misdemeanor in this state or an offense in another state or jurisdiction which would be a felony or gross misdemeanor if committed in this state;

- (e) Been identified in the published reports of any federal or state legislative or executive body as being a member or associate of organized crime, or as being of notorious and unsavory reputation;
- (f) Been placed and remains in the constructive custody of any federal, state or municipal law enforcement authority; or
- (g) Had a work permit revoked or committed any act which is a ground for the revocation of a work permit or would have been a ground for revoking his work permit if he had then held a work permit.

If the board issues or does not object to the issuance of a work permit to an applicant who has been convicted of a crime which is a felony, gross misdemeanor or misdemeanor, it may specially limit the period for which the permit is valid, limit the job classifications for which the holder of the permit may be employed and establish such individual conditions for the issuance, renewal and effectiveness of the permit as the board deems appropriate, including required submission to unscheduled tests for the presence of alcohol or controlled substances.

[12.] 13. Any applicant aggrieved by the decision of the board may, within 15 days after the announcement of the decision, apply in writing to the commission for review of the decision. Review is limited to the record of the proceedings before the board. The commission may sustain, modify or reverse the board's decision. The decision of the commission is subject to judicial review pursuant to NRS 463.315 to 463.318, inclusive.

[13.] 14. Except as otherwise provided in this subsection, all records acquired or compiled by the board or commission relating to any application made pursuant to this section and all lists of persons to whom work permits have been issued or denied and all records of the names or identity of persons engaged in the gaming industry in this state are confidential and must not be disclosed except in the proper administration of this chapter or to an authorized law enforcement agency. Upon receipt of a request from the welfare division of the department of human resources pursuant to NRS 425.400 for information relating to a specific person who has applied for or holds a work permit, the board shall disclose to the division his social security number, residential address and current employer as that information, *if any*, is listed in the files and records of the board. Any record of the board or commission which shows that the applicant has been convicted of a crime in another state must show whether the crime was a misdemeanor, gross misdemeanor, felony or other class of crime as classified by the state in which the crime was committed. In a disclosure of the conviction, reference to the classification of the crime must be based on the classification in the state where it was committed.

[14. A work permit expires unless renewed in accordance with subsection 7, or if the holder thereof is not employed as a gaming employee or does not serve as an independent agent within the jurisdiction of the issuing authority for more than 90 days.]



- 15. The chairman of the board may designate a member of the board or the board may appoint a hearing examiner and authorize that person to perform on behalf of the board any of the following functions required of the board by this section concerning work permits:
 - (a) Conducting a hearing and taking testimony;

- (b) Reviewing the testimony and evidence presented at the hearing;
- (c) Making a recommendation to the board based upon the testimony and evidence or rendering a decision on behalf of the board to sustain or reverse the denial of a work permit or the objection to the issuance or renewal of a work permit; and
 - (d) Notifying the applicant of the decision.
- 16. Notice by the board as provided pursuant to this section is sufficient if it is mailed to the applicant's last known address as indicated on the application for a work permit, or the record of the hearing, as the case may be. The date of mailing may be proven by a certificate signed by an officer or employee of the board which specifies the time the notice was mailed. The notice shall be deemed to have been received by the applicant 5 days after it is deposited with the United States Postal Service with the postage thereon prepaid.
- **Sec. 6.** 1. The Nevada gaming commission shall, on or before October 1, 2001, carry out the amendatory provisions of subsection 8 of section 5 of this act.
- 2. The amendatory provisions of this act apply to any work permit that is issued by the state gaming control board or a county or city licensing authority on or after January 1, 2002.
- 3. On or after January 1, 2002, a county or city licensing authority is prohibited from issuing a work permit that does not comply with the provisions of this act.
- 4. A work permit that was issued before January 1, 2002, is valid until it expires or is revoked in accordance with the provisions of NRS 463.335 that remain in effect until January 1, 2002.
- Sec. 7. 1. This section and section 6 of this act become effective upon passage and approval.
 Sections 1 to 5, inclusive, of this act become effective on January 1,
 - 2. Sections 1 to 5, inclusive, of this act become effective on January 1, 2002.



