
ASSEMBLY BILL NO. 357—ASSEMBLYMEN ALLEN,
SIBLEY AND HARDY (BY REQUEST)

MARCH 22, 2005

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to gaming.
(BDR 41-1273)

FISCAL NOTE: Effect on Local Government: Increases or Newly
Provides for Term of Imprisonment in County or City
Jail or Detention Facility.
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 gaming; making the provisions that it is
unlawful to manufacture, sell or distribute gaming devices
without a license applicable to associated equipment;
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.** NRS 463.0172 is hereby amended to read as
2 follows:
3 463.0172 “Manufacturer” means a person who:
4 1. Manufactures, assembles, programs or makes modifications
5 to a gaming device, *associated equipment*, cashless wagering
6 system or interactive gaming system; or
7 2. Designs, assumes responsibility for the design of, controls
8 the design or assembly of, or maintains a copyright over the design
9 of, a mechanism, electronic circuit or computer program which
10 cannot be reasonably demonstrated to have any application other
11 than in a gaming device, *associated equipment*, cashless wagering
12 system or interactive gaming system for use or play in this State or
13 for distribution outside of this State.



Sec. 2. NRS 463.650 is hereby amended to read as follows:

463.650 1. Except as otherwise provided in subsections 2 to 5, inclusive, it is unlawful for any person, either as owner, lessee or employee, whether for hire or not, to operate, carry on, conduct or maintain any form of manufacture, selling or distribution of any gaming device, **associated equipment**, cashless wagering system or interactive gaming system for use or play in Nevada or for distribution outside of Nevada without first procuring and maintaining all required federal, state, county and municipal licenses.

2. A lessor who specifically acquires equipment for a capital lease is not required to be licensed under this section or NRS 463.660.

3. The holder of a state gaming license or the holding company of a corporation, partnership, limited partnership, limited-liability company or other business organization holding a license may, within 2 years after cessation of business or upon specific approval by the Board, dispose of by sale in a manner approved by the Board, any or all of its gaming devices, including slot machines, and cashless wagering systems, without a distributor's license. In cases of bankruptcy of a state gaming licensee or foreclosure of a lien by a bank or other person holding a security interest for which gaming devices are security in whole or in part for the lien, the Board may authorize the disposition of the gaming devices without requiring a distributor's license.

4. The Commission may, by regulation, authorize a person who owns:

(a) Gaming devices for home use in accordance with NRS 463.160; or

(b) Antique gaming devices,
➔ to sell such devices without procuring a license therefor to residents of jurisdictions wherein ownership of such devices is legal.

5. Upon approval by the Board, a gaming device owned by:

(a) A law enforcement agency;

(b) A court of law; or

(c) A gaming device repair school licensed by the Commission on Postsecondary Education,

➔ may be disposed of by sale, in a manner approved by the Board, without a distributor's license. An application for approval must be submitted to the Board in the manner prescribed by the Chairman.

6. Any person whom the Commission determines is a suitable person to receive a license under the provisions of this section and NRS 463.660 may be issued a manufacturer's or distributor's license. The burden of proving his qualification to receive or hold a



1 license under this section and NRS 463.660 is at all times on the
2 applicant or licensee.

3 7. Every person who must be licensed pursuant to this section
4 is subject to the provisions of NRS 463.482 to 463.645, inclusive,
5 unless exempted from those provisions by the Commission.

6 8. The Commission may exempt, for any purpose, a
7 manufacturer, seller or distributor from the provisions of NRS
8 463.482 to 463.645, inclusive, if the Commission determines that
9 the exemption is consistent with the purposes of this chapter.

10 9. As used in this section:

11 (a) "Antique gaming device" means a gaming device that was
12 manufactured before 1951.

13 (b) "Holding company" has the meaning ascribed to it in
14 NRS 463.485.

15 **Sec. 3.** NRS 463.651 is hereby amended to read as follows:

16 463.651 1. A natural person who applies for the issuance or
17 renewal of a license as a manufacturer, distributor or seller of
18 gaming devices **or associated equipment** shall submit to the
19 Commission the statement prescribed by the Welfare Division of
20 the Department of Human Resources pursuant to NRS 425.520. The
21 statement must be completed and signed by the applicant.

22 2. The Commission shall include the statement required
23 pursuant to subsection 1 in:

24 (a) The application or any other forms that must be submitted
25 for the issuance or renewal of the license; or

26 (b) A separate form prescribed by the Commission.

27 3. A license as a manufacturer, distributor or seller of gaming
28 devices **or associated equipment** may not be issued or renewed by
29 the Commission if the applicant is a natural person who:

30 (a) Fails to submit the statement required pursuant to subsection
31 1; or

32 (b) Indicates on the statement submitted pursuant to subsection
33 1 that he is subject to a court order for the support of a child and is
34 not in compliance with the order or a plan approved by the district
35 attorney or other public agency enforcing the order for the
36 repayment of the amount owed pursuant to the order.

37 4. If an applicant indicates on the statement submitted pursuant
38 to subsection 1 that he is subject to a court order for the support of a
39 child and is not in compliance with the order or a plan approved by
40 the district attorney or other public agency enforcing the order for
41 the repayment of the amount owed pursuant to the order, the
42 Commission shall advise the applicant to contact the district
43 attorney or other public agency enforcing the order to determine the
44 actions that the applicant may take to satisfy the arrearage.



1 **Sec. 4.** NRS 463.652 is hereby amended to read as follows:

2 463.652 1. If the Commission receives a copy of a court
3 order issued pursuant to NRS 425.540 that provides for the
4 suspension of all professional, occupational and recreational
5 licenses, certificates and permits issued to a person who is the
6 holder of a license as a manufacturer, distributor or seller of gaming
7 devices ~~or~~ **or associated equipment**, the Commission shall deem the
8 license issued to that person to be suspended at the end of the 30th
9 day after the date on which the court order was issued unless the
10 Commission receives a letter issued to the holder of the license by
11 the district attorney or other public agency pursuant to NRS 425.550
12 stating that the holder of the license has complied with the subpoena
13 or warrant or has satisfied the arrearage pursuant to NRS 425.560.

14 2. The Commission shall reinstate a license as a manufacturer,
15 distributor or seller of gaming devices **or associated equipment** that
16 has been suspended by a district court pursuant to NRS 425.540 if
17 the Commission receives a letter issued by the district attorney or
18 other public agency pursuant to NRS 425.550 to the person whose
19 license was suspended stating that the person whose license was
20 suspended has complied with the subpoena or warrant or has
21 satisfied the arrearage pursuant to NRS 425.560.

22 **Sec. 5.** NRS 463.653 is hereby amended to read as follows:

23 463.653 The application of a natural person who applies for the
24 issuance of a license as a manufacturer, distributor or seller of
25 gaming devices **or associated equipment** must include the social
26 security number of the applicant.

27 **Sec. 6.** The amendatory provisions of sections 3, 4 and 5 of
28 this act expire by limitation on the date on which the provisions of
29 42 U.S.C. § 666 requiring each state to establish procedures under
30 which the state has authority to withhold or suspend, or to restrict
31 the use of professional, occupational and recreational licenses of
32 persons who:

33 1. Have failed to comply with a subpoena or warrant relating to
34 a proceeding to determine the paternity of a child or to establish or
35 enforce an obligation for the support of a child; or

36 2. Are in arrears in the payment for the support of one or more
37 children,

38 ➤ are repealed by the Congress of the United States.

