

Senate Bill No. 357–Senators Nolan, Townsend,
Raggio and Wiener

CHAPTER.....

AN ACT relating to gambling; creating the Advisory Committee on Problem Gambling; prescribing its powers and duties; creating the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling; requiring the Nevada Gaming Commission to deposit a portion of certain fees it collects in the Account; authorizing the Director of the Department of Human Resources to award grants of money or contracts for services to provide programs for the prevention and treatment of problem gambling; 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. Title 40 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 12, inclusive, of this act.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 6, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *“Account” means the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling created by section 10 of this act.*

Sec. 4. *“Advisory Committee” means the Advisory Committee on Problem Gambling created by section 7 of this act.*

Sec. 5. *“Department” means the Department of Human Resources.*

Sec. 6. *“Director” means the Director of the Department.*

Sec. 7. *1. The Advisory Committee on Problem Gambling, consisting of nine members, is hereby created within the Department.*

2. The Governor shall appoint to the Advisory Committee:

- (a) One member who holds a restricted gaming license;*
 - (b) Two members who hold nonrestricted gaming licenses;*
 - (c) Two members who work in the area of mental health, at least one of whom has experience in the treatment of persons who are problem gamblers;*
 - (d) One member who represents the University and Community College System of Nevada and has experience in the prevention or treatment of problem gambling;*
 - (e) One member who represents an organization for veterans;*
- and*

(f) Two members who represent organizations that provide assistance to persons who are problem gamblers.

3. After the initial terms, each member of the Advisory Committee serves for a term of 2 years. Each member of the Advisory Committee continues in office until his successor is appointed.

4. The members of the Advisory Committee serve without compensation, except that each member is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally while engaged in the business of the Advisory Committee.

5. A majority of the members of the Advisory Committee constitutes a quorum for the transaction of business, and a majority of a quorum present at any meeting is sufficient for any action taken by the Advisory Committee.

6. A member of the Advisory Committee who is an officer or employee of the State or a political subdivision of the State must be relieved from his duties without loss of his regular compensation so that he may prepare for and attend meetings of the Advisory Committee and perform any work necessary to carry out the duties of the Advisory Committee in the most timely manner practicable. A state agency or political subdivision of the State shall not require an officer or employee who is a member of the Advisory Committee to:

(a) Make up the time he is absent from work to carry out his duties as a member of the Advisory Committee; or

(b) Take annual leave or compensatory time for the absence.

7. The Advisory Committee shall:

(a) At its first meeting and annually thereafter, elect a Chairman from among its members;

(b) Meet at the call of the Director, the Chairman or a majority of its members as necessary, within the budget of the Advisory Committee, but not to exceed six meetings per year; and

(c) Adopt rules for its management and government.

Sec. 8. The Advisory Committee shall:

1. Review each request received by the Department from a state agency or other political subdivision of the State or from an organization or educational institution for a grant of money or a contract for services to provide programs for the prevention and treatment of problem gambling;

2. Recommend to the Director each request received pursuant to subsection 1 that the Advisory Committee believes should be awarded;

3. Establish criteria for determining which state agencies and other political subdivisions of the State and organizations and

educational institutions to recommend for grants of money or contracts for services pursuant to subsection 2;

4. Monitor each grant of money awarded by the Department for the prevention and treatment of problem gambling; and

5. Assist the Department in determining the needs of local communities and in establishing priorities for funding programs for the prevention and treatment of problem gambling.

Sec. 9. *The Chairman of the Advisory Committee may appoint groups consisting of members of the Advisory Committee, former members of the Advisory Committee and members of the public who have appropriate experience or knowledge to:*

1. Consider specific problems or other matters that are related to and within the scope of activities of the Advisory Committee; and

2. Review requests for grants of money or contracts for services related to specific programs for the prevention and treatment of problem gambling.

Sec. 10. *1. The Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling is hereby created in the State General Fund. The Director shall administer the Account.*

2. Except as otherwise provided in this subsection, the money in the Account must be expended only to award grants of money or contracts for services to state agencies and other political subdivisions of the State or to organizations or educational institutions to provide programs for the prevention and treatment of problem gambling. The Director may use not more than 1 percent of the money in the Account to administer the Account.

3. The existence of the Account does not create a right in any state agency or other political subdivision of the State or in any organization or educational institution to receive money from the Account.

4. On or before January 31 of each year, the Director shall submit to the Director of the Legislative Counsel Bureau a written report concerning any grants of money or contracts for services awarded pursuant to this section during the previous year.

Sec. 11. *1. The Director may apply for and accept any gift, donation, bequest, grant or other source of money. Any money so received must be deposited in the Account.*

2. The interest and income earned on money in the Account from any gift, donation or bequest, after deducting any applicable charges, must be credited to the Account.

3. Money from any gift, donation or bequest that remains in the Account at the end of the fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.

Sec. 12. 1. *The Director shall adopt regulations to carry out the provisions of sections 10 and 11 of this act.*

2. *The regulations adopted by the Director must include, without limitation:*

(a) *The procedure by which a state agency or other political subdivision of the State or an organization or educational institution may apply for a grant of money or a contract for services to be paid from the Account;*

(b) *The criteria that the Director must consider in determining whether to award a grant of money or a contract for services to be paid from the Account; and*

(c) *The procedure used by the Director to ensure that the money in the Account is distributed in a fair and equitable manner.*

Sec. 13. NRS 232.320 is hereby amended to read as follows:

232.320 1. Except as otherwise provided in subsection 2, the Director:

(a) Shall appoint, with the consent of the Governor, administrators of the divisions of the Department, who are respectively designated as follows:

(1) The Administrator of the Aging Services Division;

(2) The Administrator of the Health Division;

(3) The State Welfare Administrator;

(4) The Administrator of the Division of Child and Family Services; and

(5) The Administrator of the Division of Health Care Financing and Policy.

(b) Shall administer, through the divisions of the Department and the Office of Disability Services, the provisions of chapters 63, 423, 424, 425, 426A, 427A, 432A to 442, inclusive, 446 to 450, inclusive, of NRS, *sections 2 to 12, inclusive, of this act*, NRS 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, 422.580, 426.205 to 426.295, inclusive, 432.010 to 432.139, inclusive, 444.003 to 444.430, inclusive, and 445A.010 to 445A.055, inclusive, and all other provisions of law relating to the functions of the divisions of the Department and the Office of Disability Services, but is not responsible for the clinical activities of the Health Division or the professional line activities of the other divisions or the Office of Disability Services.

(c) Shall, after considering advice from agencies of local governments and nonprofit organizations which provide social services, adopt a master plan for the provision of human services in this State. The Director shall revise the plan biennially and deliver a copy of the plan to the Governor and the Legislature at the beginning of each regular session. The plan must:

(1) Identify and assess the plans and programs of the Department for the provision of human services, and any duplication of those services by federal, state and local agencies;

(2) Set forth priorities for the provision of those services;

(3) Provide for communication and the coordination of those services among nonprofit organizations, agencies of local government, the State and the Federal Government;

(4) Identify the sources of funding for services provided by the Department and the allocation of that funding;

(5) Set forth sufficient information to assist the Department in providing those services and in the planning and budgeting for the future provision of those services; and

(6) Contain any other information necessary for the Department to communicate effectively with the Federal Government concerning demographic trends, formulas for the distribution of federal money and any need for the modification of programs administered by the Department.

(d) May, by regulation, require nonprofit organizations and state and local governmental agencies to provide information to him regarding the programs of those organizations and agencies, excluding detailed information relating to their budgets and payrolls, which he deems necessary for his performance of the duties imposed upon him pursuant to this section.

(e) Has such other powers and duties as are provided by law.

2. The Governor shall appoint the Administrator of the Division of Mental Health and Developmental Services.

Sec. 14. NRS 463.320 is hereby amended to read as follows:

463.320 1. All gaming license fees imposed by the provisions of NRS 463.370, 463.373 to 463.383, inclusive, and 463.3855 must be collected and disposed of as provided in this section.

2. All state gaming license fees and penalties must be collected by the Commission and paid over immediately to the State Treasurer to be disposed of as follows:

(a) Except as otherwise provided in paragraphs (c) ~~[and (d),]~~ , ~~(d) and (e)~~, all state gaming license fees and penalties other than the license fees imposed by the provisions of NRS 463.380 must be deposited for credit to the State General Fund.

(b) All state gaming license fees imposed by the provisions of NRS 463.380 must, after deduction of costs of administration and collection, be divided equally among the various counties and transmitted to the respective county treasurers. Such fees, except as otherwise provided in this section, must be deposited by the county treasurer in the county general fund and be expended for county purposes. If the board of county commissioners desires to apportion and allocate all or a portion of such fees to one or more cities or towns within the county, the board of county commissioners shall,

annually, before the preparation of the city or town budget or budgets as required by chapter 354 of NRS, adopt a resolution so apportioning and allocating a percentage of such fees anticipated to be received during the coming fiscal year to such city or cities or town or towns for the next fiscal year commencing July 1. After the adoption of the resolution, the percentage so apportioned and allocated must be converted to a dollar figure and included in the city or town budget or budgets as an estimated receipt for the next fiscal year. Quarterly, upon receipt of the money from the State, the county treasurer shall deposit an amount of money equal to the percentage so apportioned and allocated to the credit of the city or town fund to be used for city or town purposes, and the balance remaining must be deposited in the county general fund and must be expended for county purposes.

(c) One twenty-fifth of the license fee imposed by the provisions of NRS 463.370 on gross revenue which exceeds \$134,000 per calendar month that is paid pursuant to subsection 2 of NRS 464.045 by persons licensed to conduct off-track pari-mutuel wagering must, after the deduction of costs of administration and collection, be allocated pro rata among the counties in this State whose population is less than 100,000 in which on-track pari-mutuel wagering is conducted. The allocation must be based upon the amounts paid from each such county pursuant to subsection 2 of NRS 466.125 and transmitted to the respective county treasurers. Money received by a county treasurer pursuant to this paragraph must be deposited in the county general fund and expended to augment any stakes, purses or rewards which are offered with respect to horse races conducted in that county by a state fair association, agricultural society or county fair and recreation board.

(d) Ten percent of the amount of the license fee imposed by the provisions of NRS 463.370 that is paid pursuant to subsection 2 of NRS 464.045 by persons licensed to conduct off-track pari-mutuel wagering which exceeds \$5,036,938 per calendar year must, after the deduction of costs of administration and collection, be allocated pro rata among the counties in this State whose population is less than 100,000 in which on-track pari-mutuel wagering is conducted. The allocation must be based upon the amounts paid from each such county pursuant to subsection 2 of NRS 466.125 and must be transmitted to the respective county treasurers as provided in this paragraph. On March 1 of each year, the Board shall calculate the amount of money to be allocated to the respective county treasurers and notify the State Treasurer of the appropriate amount of each allocation. The State Treasurer shall transfer the money to the respective county treasurers. Money received by a county treasurer pursuant to this paragraph must be deposited in the county general fund and expended to augment any stakes, purses or rewards which

are offered with respect to horse races conducted in that county by a state fair association, agricultural society or county fair and recreation board.

(e) The Commission shall deposit quarterly in the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling created by section 10 of this act:

(1) For the Fiscal Year 2005-2006, an amount equal to \$1 for each slot machine that is subject to the license fee imposed pursuant to NRS 463.373 and 463.375 and collected by the Commission; and

(2) For the Fiscal Year 2006-2007, an amount equal to \$2 for each slot machine that is subject to the license fee imposed pursuant to NRS 463.373 and 463.375 and collected by the Commission.

Sec. 15. As soon as practicable after July 1, 2005, the Governor shall appoint to the Advisory Committee on Problem Gambling:

1. Five members to serve a term of 1 year; and
2. Four members to serve a term of 2 years.

Sec. 16. 1. This act becomes effective on July 1, 2005.

2. Section 14 of this act expires by limitation on June 30, 2007.

