

SENATE BILL NO. 444—COMMITTEE ON JUDICIARY

MARCH 29, 2005

Referred to Committee on Judiciary

SUMMARY—Requires Nevada Gaming Commission to adopt regulations authorizing gaming licensee to charge fee for admission to area in which gaming is conducted under certain circumstances. (BDR 41-1295)

FISCAL NOTE: Effect on Local Government: No.
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; requiring the Nevada Gaming Commission to adopt regulations authorizing a gaming licensee to charge a fee for admission to an area in which gaming is conducted 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:

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

3 ***1. The Commission shall, with the advice and assistance of***
4 ***the Board, adopt regulations authorizing a gaming licensee to***
5 ***charge a fee for admission to an area in which gaming is***
6 ***conducted in accordance with the provisions of this section.***

7 ***2. The regulations adopted by the Commission pursuant to***
8 ***this section must include, without limitation, provisions that:***

9 ***(a) A gaming licensee may not charge a fee pursuant to this***
10 ***section unless:***

11 ***(1) The Chairman of the Board grants administrative***
12 ***approval of a request by a gaming licensee to charge such a fee;***
13 ***and***



(2) Such administrative approval is not revoked or suspended by the Chairman of the Board.

(b) The Chairman of the Board may, in his sole and absolute discretion, grant, deny, limit, condition, restrict, revoke or suspend any administrative approval of a request by a gaming licensee to charge a fee pursuant to this section. In considering such a request, the Chairman of the Board shall consider all relevant factors, including, without limitation:

(1) The size of the area;

(2) The amount of gaming that occurs within the area;

(3) The types and quantity of gaming offered;

(4) The business purpose of the area;

(5) Other amenities that are offered within the area;

(6) The amount of the costs and expenses incurred in creating the area;

(7) The benefit to the State in having gaming conducted within the area;

(8) The amount of the fee charged and whether the fee charged is unreasonable as compared to the prevailing practice within the industry; and

(9) Whether the area should more appropriately be treated as a gaming salon.

↳ The decision of the Chairman of the Board regarding such a request may be appealed by the gaming licensee to the Commission pursuant to its regulations.

(c) A gaming licensee who charges a fee pursuant to this section:

(1) Shall deposit with the Board and thereafter maintain a refundable revolving fund in an amount determined by the Commission to pay the expenses of admission of agents of the Board or Commission to the area for which a fee for admission is charged.

(2) Shall arrange for access by agents of the Board or Commission to the area for which a fee for admission is charged.

(3) Shall, at all times that a fee is charged for admission to an area pursuant to this section in an establishment for which a nonrestricted license has been issued, provide for the public at least the same number of gaming devices and games in a different area for which no fee is charged for admission.

(4) Shall, at all times that a fee is charged for admission to an area pursuant to this section in an establishment for which a restricted license has been issued, post a sign of a suitable size in a conspicuous place near the entrance of the establishment that provides notice to patrons that they do not need to pay an admission fee or cover charge to engage in gaming.



1 (5) Shall not use a fee charged for admission to create a
2 private gaming area that is not operated in association or
3 conjunction with a nongaming activity, attraction or facility.

4 (6) Shall not restrict admission to the area for which a fee
5 for admission is charged to a patron on the ground of race, color,
6 religion, national origin or disability of the patron, and any
7 unresolved dispute with a patron concerning restriction of
8 admission shall be deemed a dispute as to the manner in which a
9 game is conducted pursuant to NRS 463.362 and must be resolved
10 pursuant to NRS 463.362 to 463.366, inclusive.

11 (d) If a gaming licensee who holds a nonrestricted license
12 charges a fee pursuant to this section, unless the area for which a
13 fee for admission is charged is otherwise subject to the excise tax
14 on admission to any facility in this State where live entertainment
15 is provided pursuant to chapter 368A of NRS, the determination of
16 the amount of the liability of the gaming licensee for that tax:

17 (1) Includes the fees charged for admission pursuant to this
18 section; and

19 (2) Does not include charges for food, refreshments and
20 merchandise collected in the area for which admission is charged.

21 **Sec. 2.** This act becomes effective:

22 1. Upon passage and approval, for the purpose of adopting
23 regulations; and

24 2. On October 1, 2005, for all other purposes.



