

SENATE BILL NO. 453—COMMITTEE ON FINANCE
(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 26, 2007

Referred to Committee on Finance

SUMMARY—Revises the provisions relating to problem gambling.
(BDR 40-1410)

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 **fomitted-material** is material to be omitted.

AN ACT relating to problem gambling; revising the provisions relating to the duties of the Advisory Committee on Problem Gambling; revising the provisions relating to the use of money in the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the Advisory Committee on Problem Gambling is required
2 to: (1) review requests received by the Department of Health and Human Services
3 for a grant of money or a contract for services to provide programs for the
4 prevention and treatment of problem gambling; (2) recommend to the Director of
5 the Department each request that the Advisory Committee believes should be
6 awarded; (3) establish criteria for determining whom to recommend for grants of
7 money or contracts for services; (4) monitor each grant of money awarded; and (5)
8 assist the Department in determining the needs of local communities and in
9 establishing priorities for funding programs for the prevention and treatment of
10 problem gambling. (NRS 458A.070, 458A.080) Existing law also establishes the
11 Revolving Account to Support Programs for the Prevention and Treatment of
12 Problem Gambling and provides that, other than the costs of administration, the
13 money in the Account must be used only to award grants of money or contracts for
14 services to provide programs for the prevention and treatment of problem
15 gambling. (NRS 458A.090)

16 **Sections 1-3** of this bill expand the scope of the duties that the Advisory
17 Committee currently performs to include not only reviewing, considering,
18 monitoring and making recommendations regarding programs for the prevention
19 and treatment of problem gambling, but also reviewing, considering, monitoring



* S B 4 5 3 *

and making recommendations regarding services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance. **Section 3** also authorizes the expenditure of money in the Account for such services. Additionally, **section 3** increases the percentage of money in the Account that the Director may use for administration of the Account from 1 percent to 10 percent. (NRS 458A.090)

Sections 4 and 5 of this bill repeal the prospective expiration of the provision which currently requires the Nevada Gaming Commission to deposit in the Account \$2 for each slot machine subject to licensing fees and provide that the Commission will continue to deposit that amount indefinitely. (NRS 463.320; chapter 394, Statutes of Nevada 2005, p. 1532)

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

Section 1. NRS 458A.070 is hereby amended to read as follows:

458A.070 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 ~~and~~ *or to provide services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance;*

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~~ *to provide programs for* the prevention and treatment of problem gambling ~~and~~ *or to provide services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance;* 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 ~~and~~ *funding services related to the development of data, the assessment of needs, the performance of evaluations or technical assistance.*

Sec. 2. NRS 458A.080 is hereby amended to read as follows:

458A.080 The Chairman of the Advisory Committee may appoint groups consisting of members of the Advisory Committee,



* S B 4 5 3 *

1 former members of the Advisory Committee and members of the
2 public who have appropriate experience or knowledge to:

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

5 2. Review requests for grants of money or contracts for
6 services related to specific programs for the prevention and
7 treatment of problem gambling ~~H~~ *or services related to the*
8 *development of data, the assessment of needs, the performance of*
9 *evaluations or technical assistance.*

10 **Sec. 3.** NRS 458A.090 is hereby amended to read as follows:

11 458A.090 1. The Revolving Account to Support Programs
12 for the Prevention and Treatment of Problem Gambling is hereby
13 created in the State General Fund. The Director shall administer the
14 Account.

15 2. Except as otherwise provided in this subsection, the money
16 in the Account must be expended only to award grants of money or
17 contracts for services to state agencies and other political
18 subdivisions of the State or to organizations or educational
19 institutions to provide programs for the prevention and treatment of
20 problem gambling ~~H~~ *or to provide services related to the*
21 *development of data, the assessment of needs, the performance of*
22 *evaluations or technical assistance.* The Director may use not more
23 than ~~H~~ *10* percent of the money in the Account to administer the
24 Account.

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

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

33 **Sec. 4.** NRS 463.320 is hereby amended to read as follows:

34 463.320 1. All gaming license fees imposed by the provisions
35 of NRS 463.370, 463.373 to 463.383, inclusive, and 463.3855 must
36 be collected and disposed of as provided in this section.

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

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

44 (b) All state gaming license fees imposed by the provisions of
45 NRS 463.380 must, after deduction of costs of administration and



1 collection, be divided equally among the various counties and
2 transmitted to the respective county treasurers. Such fees, except as
3 otherwise provided in this section, must be deposited by the county
4 treasurer in the county general fund and be expended for county
5 purposes. If the board of county commissioners desires to apportion
6 and allocate all or a portion of such fees to one or more cities or
7 towns within the county, the board of county commissioners shall,
8 annually, before the preparation of the city or town budget or
9 budgets as required by chapter 354 of NRS, adopt a resolution so
10 apportioning and allocating a percentage of such fees anticipated to
11 be received during the coming fiscal year to such city or cities or
12 town or towns for the next fiscal year commencing July 1. After the
13 adoption of the resolution, the percentage so apportioned and
14 allocated must be converted to a dollar figure and included in the
15 city or town budget or budgets as an estimated receipt for the next
16 fiscal year. Quarterly, upon receipt of the money from the State, the
17 county treasurer shall deposit an amount of money equal to the
18 percentage so apportioned and allocated to the credit of the city or
19 town fund to be used for city or town purposes, and the balance
20 remaining must be deposited in the county general fund and must be
21 expended for county purposes.

22 (c) One twenty-fifth of the license fee imposed by the provisions
23 of NRS 463.370 on gross revenue which exceeds \$134,000 per
24 calendar month that is paid pursuant to subsection 2 of NRS
25 464.045 by persons licensed to conduct off-track pari-mutuel
26 wagering must, after the deduction of costs of administration and
27 collection, be allocated pro rata among the counties in this State
28 whose population is less than 100,000 in which on-track pari-mutuel
29 wagering is conducted. The allocation must be based upon the
30 amounts paid from each such county pursuant to subsection 2 of
31 NRS 466.125 and transmitted to the respective county treasurers.
32 Money received by a county treasurer pursuant to this paragraph
33 must be deposited in the county general fund and expended to
34 augment any stakes, purses or rewards which are offered with
35 respect to horse races conducted in that county by a state fair
36 association, agricultural society or county fair and recreation board.

37 (d) Ten percent of the amount of the license fee imposed by the
38 provisions of NRS 463.370 that is paid pursuant to subsection 2 of
39 NRS 464.045 by persons licensed to conduct off-track pari-mutuel
40 wagering which exceeds \$5,036,938 per calendar year must, after
41 the deduction of costs of administration and collection, be allocated
42 pro rata among the counties in this State whose population is less
43 than 100,000 in which on-track pari-mutuel wagering is conducted.
44 The allocation must be based upon the amounts paid from each such
45 county pursuant to subsection 2 of NRS 466.125 and must be



* S B 4 5 3 *

1 transmitted to the respective county treasurers as provided in this
2 paragraph. On March 1 of each year, the Board shall calculate the
3 amount of money to be allocated to the respective county treasurers
4 and notify the State Treasurer of the appropriate amount of each
5 allocation. The State Treasurer shall transfer the money to the
6 respective county treasurers. Money received by a county treasurer
7 pursuant to this paragraph must be deposited in the county general
8 fund and expended to augment any stakes, purses or rewards which
9 are offered with respect to horse races conducted in that county by a
10 state fair association, agricultural society or county fair and
11 recreation board.

12 (e) The Commission shall deposit quarterly in the Revolving
13 Account to Support Programs for the Prevention and Treatment of
14 Problem Gambling created by NRS 458A.090 ~~+~~

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

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

22 **Sec. 5.** Section 16 of chapter 394, Statutes of Nevada 2005, at
23 page 1532, is hereby amended to read as follows:

24 Sec. 16. ~~[1.]~~ This act becomes effective on July 1,
25 2005.

26 ~~[2. Section 14 of this act expires by limitation on~~
27 ~~June 30, 2007.]~~

28 **Sec. 6.** This act becomes effective upon passage and approval.

