

Amendment No. 918

Senate Amendment to Assembly Bill No. 218	(BDR 41-603)
Proposed by: Senator Care	
Amendment Box: Conflicts with Amendment No. 913.	
Amends: Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	☐	Lost	☐	_____	Adopted	☐	Lost	☐	_____
Concurred In	☐	Not	☐	_____	Concurred In	☐	Not	☐	_____
Receded	☐	Not	☐	_____	Receded	☐	Not	☐	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold dashed underlining* is newly added transitory language.

BFG/BAW



Date: 5/21/2009

A.B. No. 218—Authorizes the Nevada Gaming Commission to prescribe the manner of regulating governmental entities that are involved in gaming. (BDR 41-603)



ASSEMBLY BILL NO. 218—COMMITTEE ON JUDICIARY

FEBRUARY 27, 2009

Referred to Committee on Judiciary

SUMMARY—~~Authorizes the Nevada Gaming Commission to prescribe the manner of regulating governmental entities that are involved in~~
Makes various changes relating to gaming. (BDR 41-603)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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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; authorizing the Nevada Gaming Commission to prescribe the manner of regulating governmental entities that are involved in gaming; revising the definition of “sports pools”; revising the provisions relating to off-track pari-mutuel wagering; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Under existing law, certain persons who are involved in gaming are required to be licensed, registered, found suitable or approved by the Nevada Gaming Commission, including, for example, persons who: (1) deal, operate, carry on, conduct, maintain or expose for play in this State any gambling game, gaming device, inter-casino linked system, mobile gaming system, slot machine, race book or sports pool; (2) provide or maintain any information service; (3) operate a gaming salon; (4) receive, directly or indirectly, any compensation or reward or any percentage or share of the money or property played, for keeping, running or carrying on any gambling game, slot machine, gaming device, mobile gaming system, race book or sports pool; (5) furnish any equipment of any gambling game for any interest, percentage or share of the money or property played; or (6) are employees, agents, guardians, personal representatives, lenders or holders of indebtedness of a gaming licensee and who, in the opinion of the Nevada Gaming Commission, have the power to exercise a significant influence over a licensee’s operation of a gaming establishment. (NRS 463.160-463.167)

~~This~~ Section 1 of this bill provides that if an applicant for a license, registration, finding of suitability or any required approval is a governmental entity or is owned or controlled by a governmental entity, the applicant must file such applications for licenses, registrations, findings of suitability or any other approvals as the Nevada Gaming Commission may prescribe.

Existing law defines a “sports pool” as the business of accepting wagers on sporting events by any system or method of wagering. (NRS 463.0193) The regulations of the Nevada Gaming Commission provide that a “sports pool” means a business that accepts wagers on sporting events or other events. (Regulation 22.010 of the Nevada Gaming Commission) Section 3 of this bill amends the statutory definition to include “other events” within the definition of “sports pool” in a manner consistent with the regulations.

~~Sections 4 and 6 of this bill clarify that, in addition to authorizing off-track pari-mutuel wagering on horse races, existing law also authorizes off-track pari-mutuel wagering on dog races. (NRS 464.005, 466.095)~~

~~Existing law authorizes the Commission to appoint an Off-Track Pari-Mutuel Wagering Committee, which, if appointed, has the exclusive right to negotiate an agreement relating to off-track pari-mutuel wagering. (NRS 464.020) Section 5 of this bill provides that any agreement negotiated by the Off-Track Pari-Mutuel Wagering Committee with a track relating to off-track pari-mutuel wagering must not set a different rate for intrastate wagers placed on the licensed premises of a race book and wagers placed through the use of communications technology.~~

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

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

1. An applicant which is a governmental entity or which is owned or controlled by a governmental entity must file such applications for licenses, registrations, findings of suitability or any other approvals as the Commission may prescribe.

2. As used in this section, "governmental entity" means a government or any political subdivision of a government.

Sec. 2. NRS 463.016425 is hereby amended to read as follows:

463.016425 1. "Interactive gaming" means the conduct of gambling games through the use of communications technology that allows a person, utilizing money, checks, electronic checks, electronic transfers of money, credit cards, debit cards or any other instrumentality, to transmit to a computer information to assist in the placing of a bet or wager and corresponding information related to the display of the game, game outcomes or other similar information. The term does not include the operation of a race book or sports pool that uses communications technology approved by the Board pursuant to regulations adopted by the Commission to accept wagers originating within this state for races, ~~or~~ *or other events.*

2. As used in this section, "communications technology" means any method used and the components employed by an establishment to facilitate the transmission of information, including, without limitation, transmission and reception by systems based on wire, cable, radio, microwave, light, optics or computer data networks, including, without limitation, the Internet and intranets.

Sec. 3. NRS 463.0193 is hereby amended to read as follows:

463.0193 "Sports pool" means the business of accepting wagers on sporting events *or other events* by any system or method of wagering.

Sec. 4. NRS 464.005 is hereby amended to read as follows:

464.005 As used in this chapter, unless the context otherwise requires:

1. "Gross revenue" means the amount of the commission received by a licensee that is deducted from off-track pari-mutuel wagering, plus breakage and the face amount of unpaid winning tickets that remain unpaid for a period specified by the Nevada Gaming Commission.

2. "Off-track pari-mutuel system" means a computerized system, or component of such a system, that is used with regard to a pari-mutuel pool to transmit information such as amounts wagered, odds and payoffs on races.

3. "Off-track pari-mutuel wagering" means any pari-mutuel system of wagering approved by the Nevada Gaming Commission for the acceptance of wagers on:

- (a) ~~Races~~ Horse or dog races which take place outside of this state; or
- (b) Sporting events.

4. "Operator of a system" means a person engaged in providing an off-track pari-mutuel system.

5. "Pari-mutuel system of wagering" means any system whereby wagers with respect to the outcome of a race or sporting event are placed in a wagering pool conducted by a person licensed or otherwise permitted to do so under state law, and in which the participants are wagering with each other and not against that person. The term includes off-track pari-mutuel wagering.

Sec. 5. NRS 464.020 is hereby amended to read as follows:

464.020 1. The Nevada Gaming Commission is charged with the administration of this chapter for the protection of the public and in the public interest.

2. The Nevada Gaming Commission may issue licenses permitting the conduct of the pari-mutuel system of wagering, including off-track pari-mutuel wagering, and may adopt, amend and repeal regulations relating to the conduct of such wagering.

3. The wagering must be conducted only by the licensee at the times determined by the Nevada Gaming Commission and only:

(a) Within the enclosure wherein the race or other sporting event which is the subject of the wagering occurs; or

(b) Within a licensed gaming establishment which has been approved to conduct off-track pari-mutuel wagering.

↪ This subsection does not prohibit a person licensed to accept, pursuant to regulations adopted by the Nevada Gaming Commission, off-track pari-mutuel wagers from accepting wagers made by wire communication from patrons within the State of Nevada, from other states in which such wagering is legal or from places outside the United States in which such wagering is legal.

4. The regulations of the Nevada Gaming Commission may include, without limitation:

(a) Requiring fingerprinting of an applicant or licensee, or other method of identification.

(b) Requiring information concerning an applicant's antecedents, habits and character.

(c) Prescribing the method and form of application which any applicant for a license issued pursuant to this chapter must follow and complete before consideration of his application by the Nevada Gaming Commission.

(d) Prescribing the permissible communications technology and requiring the implementation of border control technology that will ensure that a person cannot place a wager with a race book in this State from another state or another location where placing such a wager is illegal.

5. The Nevada Gaming Commission may appoint an Off-Track Pari-Mutuel Wagering Committee consisting of 11 persons who are licensed to engage in off-track pari-mutuel wagering. If the Commission appoints such a Committee, it shall appoint to the Committee:

(a) Five members from a list of nominees provided by the State Association of Gaming Establishments whose members collectively paid the most gross revenue fees to the State pursuant to NRS 463.370 in the preceding year;

(b) Three members who, in the preceding year, paid gross revenue fees pursuant to NRS 463.370 in an amount that was less than the average amount of

gross revenue fees paid by licensees engaged in off-track pari-mutuel wagering in the preceding year; and

(c) Three other members.

➤ If a vacancy occurs in a position on the Committee for any reason, including, but not limited to, termination of a member, the Commission shall appoint a successor member who satisfies the same criteria in paragraph (a), (b) or (c) that applied to the member whose position has been vacated.

6. If the Nevada Gaming Commission appoints an Off-Track Pari-Mutuel Wagering Committee pursuant to subsection 5, the Commission shall:

(a) Grant to the Off-Track Pari-Mutuel Wagering Committee the exclusive right to negotiate an agreement relating to off-track pari-mutuel wagering with:

(1) A person who is licensed or otherwise permitted to operate a wagering pool in another state; and

(2) A person who is licensed pursuant to chapter 464 of NRS as an operator of a system.

(b) Require that any agreement negotiated by the Off-Track Pari-Mutuel Wagering Committee with a track relating to off-track pari-mutuel wagering must not set a different rate for intrastate wagers placed on the licensed premises of a race book and wagers placed through the use of communications technology.

(c) Require the Off-Track Pari-Mutuel Wagering Committee to grant to each person licensed pursuant to this chapter to operate an off-track pari-mutuel race pool the right to receive, on a fair and equitable basis, all services concerning wagering in such a race pool that the Committee has negotiated to bring into or provide within this State.

7. The Nevada Gaming Commission shall, and it is granted the power to, demand access to and inspect all books and records of any person licensed pursuant to this chapter pertaining to and affecting the subject of the license.

Sec. 6. NRS 466.095 is hereby amended to read as follows:

466.095 The Nevada Gaming Commission shall not issue any license ~~under this chapter~~ to conduct dog racing or pari-mutuel wagering in connection with ~~any dog race.~~ dog racing pursuant to this chapter. This section does not prohibit off-track pari-mutuel wagering on dog racing pursuant to chapter 464 of NRS.

~~Sec. 2.~~ **Sec. 7.** This act becomes effective upon passage and approval.