

Amendment No. 327

Senate Amendment to Senate Bill No. 443	(BDR 41-1135)
Proposed by: Senate Committee on Judiciary	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	
Adoption of this amendment will REMOVE the 2/3s majority vote requirement from S.B. 443.	

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added 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 proposed to be retained in this amendment.

NCA/BAW



Date: 4/13/2015

S.B. No. 443—Revises provisions governing the acceptance of race book and sports pool wagers. (BDR 41-1135)



SENATE BILL NO. 443—COMMITTEE ON JUDICIARY

MARCH 23, 2015

Referred to Committee on Judiciary

SUMMARY—Revises provisions governing the acceptance of race book and sports pool wagers. (BDR 41-1135)

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; revising provisions governing the acceptance of race book and sports pool wagers; ***authorizing the Nevada Gaming Commission to adopt regulations governing the acceptance of race book and sports pool wagers from certain entities;*** providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Nevada Gaming Commission and the State Gaming Control Board are required to perform various acts relating to the regulation and control of gaming. (NRS 463.140) This bill authorizes certain business entities to ~~apply for registration with the Board for purposes of placing~~ ***place*** race book and sports pool wagers ~~if~~ ***under certain circumstances. This bill also authorizes the Commission to adopt regulations governing the acceptance of such wagers.***

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 the provisions set forth as sections 2 and 3 of this act.

Sec. 2. ~~The Legislature hereby finds and declares that:~~

~~1. The State of Nevada leads the nation in the regulation and enforcement of race book and sports pool wagers, such that the State is uniquely positioned to expand the means for natural persons to place race book and sports pool wagers in a controlled environment.~~

~~2. Allowing natural persons to pool money in a business entity which can then place race book and sports pool wagers with nonrestricted gaming licensees will increase wagering activity in this State.~~

~~3. A comprehensive registration of business entities that place race book and sports pool wagers will provide greater transparency for nonrestricted gaming licensees, prevent fraud and assist law enforcement agencies in this State.~~ ***(Deleted by amendment.)***

1 Sec. 3. 1. A race book or sports pool may accept wagers from a business
2 entity if the business entity has ~~registered with the Board~~ established a wagering
3 account with the race book or sports pool and provided the information required
4 pursuant to subsection 2. Upon such registration, the The business entity shall
5 ~~file~~ ;

6 (a) Be deemed to be a patron for the purposes of this chapter and chapter
7 465 of NRS.

8 (b) Place wagers in compliance with all applicable state and federal laws.

9 2. ~~The Board shall register a~~ A business entity ~~upon the Board's receipt~~
10 ~~of~~ that wishes to establish a wagering account with a race book or sports pool
11 shall provide to the race book or sports pool:

12 (a) The name, residential address, copy of a valid photo identification which
13 evidences that the person is at least 21 years of age, and social security number or
14 individual taxpayer identification number, of each of the business entity's equity
15 owners, holders of indebtedness, directors, officers, managers and partners,
16 anyone entitled to payments based on the profits or revenues and any designated
17 individuals;

18 (b) The business entity's formation documents and ~~the initial or annual list~~
19 ~~as filed~~ all filings with the Secretary of State pursuant to title 7 of NRS; and

20 (c) ~~Payment of \$ 1000 as an initial registration fee.~~

21 ~~3. The registration of a business entity expires 1 year after the date of the~~
22 ~~delivery of the initial registration to the Board.~~

23 ~~4. The registration of a business entity may be renewed annually upon~~
24 ~~payment of a renewal fee of \$500.~~

25 ~~5. Any other documentation or information the Commission may require;~~
26 ~~and~~

27 (d) Any other documentation or information the race book or sports pool
28 may require.

29 ~~3. A business entity shall~~ ~~file an amended registration~~ update the
30 information provided pursuant to subsection 2 within 5 business days after any
31 change in the information or status. ~~contained in any previous filing and shall~~
32 ~~pay a fee of \$100 for filing the amended registration.~~

33 ~~6. A person who knowingly submits any false information required~~
34 ~~pursuant to this section is guilty of perjury, which is a category D felony, and~~
35 ~~shall be punished as provided in NRS 193.130.~~

36 ~~7. Before accepting the initial wager by a business entity, the operator of a~~
37 ~~race book or sports pool shall:~~

38 ~~(a) Confirm with the Board that the business entity is registered pursuant to~~
39 ~~subsection 2; and~~

40 ~~(b) Establish a wagering account through which the business entity's wagers~~
41 ~~are placed pursuant to regulations adopted by the Commission.~~

42 ~~8. A registered business entity shall not distribute profits or pay any~~
43 ~~compensation to any person described in subsection 2 until such person has been~~
44 ~~disclosed in a registration with the Board.~~

45 ~~9. 4. A~~ ~~registered~~ business entity shall:

46 (a) In addition to the books and records required by law to be kept in this
47 State, keep in this State originals or copies of the records received from the race
48 book or sports pool for all wagers placed;

49 (b) Maintain an account in this State with a bank or other financial
50 institution having a principal office, branch or agency located in this State, from
51 which it shall transfer and receive all money used in wagering with an operator
52 of a race book or sports pool; and

(c) Make any records pursuant to this subsection available for review by the Board or its agents.

~~10. 5.~~ Notwithstanding the provisions of NRS 463.350, a race book or sports pool may accept wagers from a designated individual of a ~~registered business entity.~~

~~11. Notwithstanding any other provision of law, a registered which has established a wagering account with the race book or sports pool.~~

~~6. A business entity, any person described in subsection 2 and any agent acting on behalf of a registered business entity, and any designated individual that places a wager with a race book or sports pool pursuant to this section must not be considered to be engaged in the unlawful accepting or facilitating of any bet or wager.~~

~~12. 7.~~ It is unlawful for any person either solely or in conjunction with others:

(a) To knowingly pay or distribute profits or any compensation to a designated individual or equity owner who is not disclosed to the race book or sports pool pursuant to subsection 2;

(b) To knowingly pay or distribute a percentage of revenue derived from the wagering activity of a business entity to a person who is not disclosed to the race book or sports pool pursuant to subsection 2;

(c) To wager with money received from a person who is not disclosed to the race book or sports pool pursuant to subsection 2; or

(d) To knowingly submit any false information as required by this section.

8. The Commission may, with the advice and assistance of the Board, adopt regulations as it deems necessary to carry out the provisions of this section.

9. As used in this section:

(a) "Business entity" means an entity organized and existing under the laws of this State.

(b) "Designated individual" means a person listed as an officer, director, partner or manager of a business entity in ~~the initial or annual list as filed~~ the business entity's filings with the Secretary of State pursuant to title 7 of NRS, and any other natural person authorized by the business entity in writing to place race book or sports pool wagers.

Sec. 3.5. NRS 463.360 is hereby amended to read as follows:

463.360 1. Conviction by a court of competent jurisdiction of a person for a violation of, an attempt to violate, or a conspiracy to violate any of the provisions of this chapter or of chapter 463B, 464 or 465 of NRS may act as an immediate revocation of all licenses which have been issued to the violator, and, in addition, the court may, upon application of the district attorney of the county or of the Commission, order that no new or additional license under this chapter be issued to the violator, or be issued to any person for the room or premises in which the violation occurred, for 1 year after the date of the revocation.

2. A person who willfully fails to report, pay or truthfully account for and pay over any license fee or tax imposed by the provisions of this chapter, or willfully attempts in any manner to evade or defeat any such license fee, tax or payment thereof is guilty of a category C felony and shall be punished as provided in NRS 193.130. In addition to any other penalty, the court shall order the person to pay restitution.

3. Except as otherwise provided in subsection 4, a person who willfully violates, attempts to violate, or conspires to violate any of the provisions of subsection 1 of NRS 463.160 or section 3 of this act is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum

1 term of not less than 1 year and a maximum term of not more than 10 years, by a
2 fine of not more than \$50,000, or by both fine and imprisonment.

3 4. A licensee who puts additional games or slot machines into play or displays
4 additional games or slot machines in a public area without first obtaining all
5 required licenses and approval is subject only to the penalties provided in NRS
6 463.270 and 463.310 and in any applicable ordinance of the county, city or town.

7 5. A person who willfully violates any provision of a regulation adopted
8 pursuant to NRS 463.125 is guilty of a category C felony and shall be punished as
9 provided in NRS 193.130.

10 6. The violation of any of the provisions of this chapter, the penalty for which
11 is not specifically fixed in this chapter, is a gross misdemeanor.

12 **Sec. 4.** This act becomes effective upon passage and approval.