Senate Bill No. 376–Committee on Judiciary

CHAPTER.....

AN ACT relating to gaming; revising provisions relating to the confidentiality of certain information and data provided by gaming applicants and licensees to state agencies that regulate gaming; clarifying the privileged nature of such information and data; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that certain information and data provided by gaming applicants and licensees to state agencies that regulate gaming are confidential and privileged. (NRS 463.120) **Sections 1.4, 1.7 and 2** of this bill clarify the privileged nature of such information and data when it is provided by gaming applicants and licensees to those state agencies in connection with their regulatory, investigative or enforcement authority. However, **section 2.5** of this bill also clarifies that the provisions of this bill do not affect any occupation, profession, business or industry other than the gaming industry regulated pursuant to the Nevada Gaming Control Act. (Chapter 463 of NRS)

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

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

Section 1. (Deleted by amendment.)

Sec. 1.4. NRS 463.120 is hereby amended to read as follows:

- 463.120 1. The Board and the Commission shall cause to be made and kept a record of all proceedings at regular and special meetings of the Board and the Commission. These records are open to public inspection.
- 2. The Board shall maintain a file of all applications for licenses under this chapter and chapter 466 of NRS, together with a record of all action taken with respect to those applications. The file and record are open to public inspection.
- 3. The Board and the Commission may maintain such other files and records as they may deem desirable.
- 4. Except as otherwise provided in this section, all information and data:
- (a) Required by the Board or Commission to be furnished to it under chapters 462 to 466, inclusive, of NRS or any regulations adopted pursuant thereto or which may be otherwise obtained relative to the finances, earnings or revenue of any applicant or licensee;



- (b) Pertaining to an applicant's or natural person's criminal record, antecedents and background which have been furnished to or obtained by the Board or Commission from any source;
- (c) Provided to the members, agents or employees of the Board or Commission by a governmental agency or an informer or on the assurance that the information will be held in confidence and treated as confidential;
- (d) Obtained by the Board from a manufacturer, distributor or operator, or from an operator of an inter-casino linked system, relating to the manufacturing of gaming devices or the operation of an inter-casino linked system; or
- (e) Prepared or obtained by an agent or employee of the Board or Commission pursuant to an audit, investigation, determination or hearing,
- → are confidential and may be revealed in whole or in part only in the course of the necessary administration of this chapter or upon the lawful order of a court of competent jurisdiction. The Board and Commission may reveal such information and data to an authorized agent of any agency of the United States Government, any state or any political subdivision of a state or the government of any foreign country. Notwithstanding any other provision of state law, such information may not be otherwise revealed without specific authorization by the Board or Commission.
- 5. Notwithstanding any other provision of state law, any and all information and data prepared or obtained by an agent or employee of the Board or Commission relating to an application for a license, a finding of suitability or any approval that is required pursuant to the provisions of chapters 462 to 466, inclusive, of NRS or any regulations adopted pursuant thereto, are confidential and absolutely privileged and may be revealed in whole or in part only in the course of the necessary administration of such provisions and with specific authorization and waiver of the privilege by the Board or Commission. The Board and Commission may reveal such information and data to an authorized agent of any agency of the United States Government, any state or any political subdivision of a state or the government of any foreign country.
- 6. Notwithstanding any other provision of state law, if any applicant or licensee provides or communicates any information and data to an agent or employee of the Board or Commission in connection with its regulatory, investigative or enforcement authority:
- (a) All such information and data are confidential and privileged and the confidentiality and privilege are not waived if



the information and data are shared or have been shared with an authorized agent of any agency of the United States Government, any state or any political subdivision of a state or the government of any foreign country in connection with its regulatory, investigative or enforcement authority, regardless of whether such information and data are shared or have been shared either before or after being provided or communicated to an agent or employee of the Board or Commission; and

- (b) The applicant or licensee has a privilege to refuse to disclose, and to prevent any other person or governmental agent, employee or agency from disclosing, the privileged information and data.
- 7. Before the beginning of each legislative session, the Board shall submit to the Legislative Commission for its review and for the use of the Legislature a report on the gross revenue, net revenue and average depreciation of all licensees, categorized by class of licensee and geographical area and the assessed valuation of the property of all licensees, by category, as listed on the assessment rolls.
- [7.] 8. Notice of the content of any information or data furnished or released pursuant to subsection 4 may be given to any applicant or licensee in a manner prescribed by regulations adopted by the Commission.
- [8.] 9. The files, records and reports of the Board are open at all times to inspection by the Commission and its authorized agents.
- [9.] 10. All files, records, reports and other information pertaining to gaming matters in the possession of the Nevada Tax Commission must be made available to the Board and the Nevada Gaming Commission as is necessary to the administration of this chapter.
- 11. For the purposes of this section, "information and data" means all information and data in any form, including, without limitation, any oral, written, audio, visual, digital or electronic form, and the term includes, without limitation, any account, book, correspondence, file, message, paper, record, report or other type of document, including, without limitation, any document containing self-evaluative assessments, self-critical analysis or self-appraisals of an applicant's or licensee's compliance with statutory or regulatory requirements.
 - **Sec. 1.7.** NRS 49.015 is hereby amended to read as follows:
- 49.015 1. Except as otherwise required by the Constitution of the United States or of the State of Nevada, and except as otherwise



provided in this title or title 14 of NRS, or NRS 41.071 [] or 463.120 or any other specific statute, no person has a privilege to:

- (a) Refuse to be a witness;
- (b) Refuse to disclose any matter;
- (c) Refuse to produce any object or writing; or
- (d) Prevent another from being a witness or disclosing any matter or producing any object or writing.
 - 2. This section does not:
- (a) Impair any privilege created by title 14 of NRS or by the Nevada Rules of Civil Procedure which is limited to a particular stage of the proceeding; or
 - (b) Extend any such privilege to any other stage of a proceeding.
- Sec. 2. The confidentiality and privilege set forth in the amendatory provisions of this act apply to any request made on or after the effective date of this act to obtain any information or data, as defined in section 1.4 of this act, that is or has been provided or communicated by an applicant or licensee to an agent or employee of the Nevada Gaming Control Board or the Nevada Gaming Commission in connection with its regulatory, investigative or enforcement authority.
- Sec. 2.5. The confidentiality and privilege set forth in the amendatory provisions of this act must not be construed as:
- 1. A legislative declaration or pronouncement of the public policy of this State with regard to any occupation, profession, business or industry other than the gaming industry regulated pursuant to the Nevada Gaming Control Act in chapter 463 of NRS; or
- 2. A legislative bar or barrier that limits or precludes a court or agency from recognizing, interpreting or applying any confidentiality and privilege pursuant to any other statute or the common law, including, without limitation, any confidentiality and privilege for self-evaluative assessments, self-critical analysis or self-appraisals of a person's compliance with statutory or regulatory requirements.
 - **Sec. 3.** This act becomes effective upon passage and approval.

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