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FIRST REPRINT

A.B. 202

## ASSEMBLY BILL NO. 202—ASSEMBLYMAN YEAGER

MARCH 8, 2021

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to charitable lotteries and charitable games. (BDR 41-581)

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 relating to the registration of a qualified organization to operate a charitable lottery or charitable game; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Under existing law, a qualified organization must register with the Chair of the  
2 Nevada Gaming Control Board before operating a charitable lottery. (NRS  
3 462.140) Existing law defines a “qualified organization” as an alumni, charitable,  
4 civic, educational, fraternal, patriotic, religious or veterans’ organization or a state  
5 or local bar association that does not operate for profit. (NRS 462.125) Also,  
6 existing law requires the Nevada Gaming Commission, upon recommendation by  
7 the Board, to adopt regulations establishing the fees that a qualified organization  
8 must submit to the Chair to operate a charitable lottery or charitable game. (NRS  
9 462.160) This bill provides that if the total value of the prizes offered by the  
10 qualified organization in the same calendar year is less than \$100,000: (1)  
11 the qualified organization must register annually with the Board; and (2) the  
12 regulations adopted by the Commission must not impose an annual fee that exceeds  
13 \$10 on such a qualified organization.

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

1 **Section 1.** NRS 462.160 is hereby amended to read as follows:  
2 462.160 1. ~~For~~ *Except as otherwise provided in subsection*  
3 *3, to* register with the Chair to operate a charitable lottery or  
4 charitable game, a qualified organization must submit to the Chair:  
5 (a) A written application containing:



\* A B 2 0 2 R 1 \*

- 1 (1) The name, address and nature of the organization.
- 2 (2) Proof that the organization is a qualified organization.
- 3 (3) The names of the officers or principals of the
- 4 organization, and of any person responsible for the management,
- 5 administration or supervision of the organization's charitable
- 6 lotteries or charitable games and any activities related to those
- 7 charitable lotteries or charitable games.
- 8 (4) A listing of vendors who will assist with each charitable
- 9 lottery or charitable game operated by the organization and the
- 10 services that will be provided.
- 11 (5) A description of all the prizes to be offered in each
- 12 charitable lottery or charitable game operated by the organization.
- 13 (6) A summary of the anticipated expenses of conducting
- 14 each charitable lottery or charitable game, including copies of any
- 15 proposed agreements between the organization and any suppliers of
- 16 material for the operation of each charitable lottery or charitable
- 17 game.
- 18 (7) A description of the intended use of the net proceeds of
- 19 each charitable lottery or charitable game operated by the
- 20 organization.
- 21 (8) The address of the location where each charitable lottery
- 22 or charitable game will be conducted by the organization.
- 23 (9) The operational controls for each charitable lottery or
- 24 charitable game, including, without limitation:
- 25 (I) The methods proposed for ticket sales and, if
- 26 proposing mobile, online or telephone sales, the procedures for such
- 27 sales;
- 28 (II) The audit controls for all ticket sales in this State to
- 29 ensure compliance with NRS 462.180;
- 30 (III) The rules which will be presented to the public for
- 31 each charitable lottery or charitable game;
- 32 (IV) The method of awarding all prizes and announcing
- 33 all winners to the public; and
- 34 (V) The rules and time frames for the collection of all
- 35 prizes.
- 36 (10) A statement verifying that all charitable lotteries or
- 37 charitable games will be conducted in accordance with the standards
- 38 of honesty and integrity applicable to licensed gambling games in
- 39 this State and that any prizes that would be deemed illegal under
- 40 state or federal law will not be offered.
- 41 (11) Any other information the Chair deems appropriate.
- 42 (b) All applicable fees established by the Commission by
- 43 regulation pursuant to subsection ~~3.1~~ 4.
- 44 2. A qualified organization shall submit such additional
- 45 information as necessary to correct or complete any information



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submitted pursuant to this section that becomes inaccurate or incomplete. The registration of a qualified organization is suspended during the period that any of the information is inaccurate or incomplete. The Chair may reinstate the registration of the organization only after all information has been corrected and completed.

3. *If the total value of the prizes offered by a qualified organization in the same calendar year is less than \$100,000:*

(a) *The qualified organization must register annually with the Board; and*

(b) *The regulations adopted by the Commission pursuant to subsection 4 must not impose an annual fee that exceeds \$10 on such a qualified organization.*

4. The Commission, upon recommendation by the Board, shall adopt regulations establishing the fees that a qualified organization must submit to the Chair pursuant to this section.

~~[4.]~~ 5. The money collected pursuant to this section must be expended to administer and enforce the provisions of this chapter.

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

