

Amendment No. 353

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| Senate Amendment to Senate Bill No. 165 | (BDR 41-562) |
| Proposed by: Senate Committee on Judiciary | |
| Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes | |

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of S.B. 165 (§§ 13, 14).

| 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: 4/18/2021

S.B. No. 165—Establishes provisions relating to Esports. (BDR 41-562)



SENATE BILL NO. 165--SENATOR KIECKHEFER

MARCH 2, 2021

Referred to Committee on Judiciary

SUMMARY—Establishes provisions relating to Esports. (BDR 41-562)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
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 sporting events; creating the Nevada Esports Commission to regulate Esports; prescribing the membership and terms of office of members of the Commission; requiring the Commission to establish a technical advisory committee; providing for the appointment of the Executive Director of the Commission; authorizing the Executive Director to apply for grants and accept gifts, grants and donations on behalf of the Commission; requiring certain persons to be registered with the Commission; authorizing the Commission to adopt regulations; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 8 of this bill creates the Nevada Esports Commission, within the Department of Business and Industry, to regulate Esports. **Sections 3-7** of this bill define certain terms relating to the regulation of Esports, including the term "Esports" as a contest of multiple players using video games.

Sections 9 and 10 of this bill prescribe the membership and terms of office of the members of the Commission. **Section 10.5 of this bill requires the Commission to establish a technical advisory committee to provide recommendations relating to the adoption of regulations pursuant to section 15 of this bill and any other matters of importance to the Commission.** **Section 11** of this bill requires the Governor to appoint the Executive Director of the Commission. **Section 12** of this bill authorizes the Executive Director to apply for any grants and accept any gifts, grants or donations for the support of the Commission. **Sections 13 and 14** of this bill require certain persons to register with and provide certain information to the Commission before staging or engaging in any Esports. ~~[with a purse that exceeds \$1,000.]~~ **Section 15** ~~[of this bill]~~ authorizes the Commission to adopt regulations governing Esports. **Section 16** of this bill makes a violation of the requirements relating to Esports a misdemeanor.

WHEREAS, Nevada is known as the entertainment capital of the world and is a pioneer in providing new and exciting entertainment opportunities to the public; and

WHEREAS, Esports is a rapidly emerging business and a new form of entertainment and competition; and

WHEREAS, The growing interest in Esports for both entertainment and competition creates an opportunity for Nevada to leverage its expertise in gaming and other forms of entertainment and provide an ideal forum to grow this new industry; and

WHEREAS, Nevada has a desire to partner with this emerging industry with focus on ensuring the integrity of Esports competitions; and

WHEREAS, There is a natural fit between Nevada and Esports that can promote both the growth of the Esports industry and tourism in Nevada; now, therefore,

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

Section 1. Title 41 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 16, inclusive, of this act.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 7, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *“Commission” means the Nevada Esports Commission created by section 8 of this act.*

Sec. 4. *“Esports” means a contest of multiple players using video games.*

Sec. 5. *“Host” means any person who produces or stages Esports.*

Sec. 6. *“Participant” means any person who engages in Esports for remuneration.*

Sec. 7. ~~“Purse” means a financial guarantee or any other remuneration for which participants engage in Esports.~~ **(Deleted by amendment.)**

Sec. 8. *1. The Nevada Esports Commission, consisting of ~~three~~ five members appointed by the Governor, is hereby created within the Department of Business and Industry.*

2. ~~Two~~ Three members of the Commission constitute a quorum for the exercise of the authority conferred upon the Commission, and a concurrence of at least ~~two~~ three of the members is necessary to render a choice or a decision by the Commission.

~~*3. A member shall not at any time during his or her service as a member of the Commission promote or sponsor any Esports or have any financial interest in the promotion or sponsorship of Esports.*~~

Sec. 9. *1. Each member of the Commission must be:*

(a) A citizen of the United States; and

(b) A resident of this State.

2. No member of the Legislature, no person holding any elective office in the State Government, nor any officer or official of any political party is eligible for appointment to the Commission.

~~*3. One member of the Commission must have expertise in Esports.*~~

~~*4. One member of the Commission must have expertise in information technology, specifically as it relates to hardware and software in Esports.*~~

~~*5. One member of the Commission must have training or experience in law enforcement, specifically as it relates to cheating in Esports through cybercrime, hacking or fraud.*~~

1 **Sec. 10. 1. The term of office of each member of the Commission is 4**
2 **years, commencing on the last Monday in January.**

3 **2. The Governor shall appoint the members of the Commission and**
4 **designate one member to serve as Chair, who shall coordinate the activities of the**
5 **Commission. The designation of Chair lasts for 2 years, unless revoked by the**
6 **Governor.**

7 **3. Each member of the Commission shall serve without compensation.**

8 **Sec. 10.5. 1. The Commission shall establish a technical advisory**
9 **committee consisting of professionals from the Esports industry, including,**
10 **without limitation:**

11 **(a) Publishers;**

12 **(b) Hosts;**

13 **(c) Participants;**

14 **(d) Broadcasters; and**

15 **(e) Judges.**

16 **2. The technical advisory committee shall provide recommendations to the**
17 **Commission on:**

18 **(a) The adoption of regulations pursuant to section 15 of this act; and**

19 **(b) Any other matters of importance to the Commission.**

20 **2. Each member of the technical advisory committee shall serve without**
21 **compensation.**

22 **Sec. 11. 1. The Governor shall appoint an Executive Director, who must**
23 **not be a member of the Commission.**

24 **2. The Executive Director serves at the pleasure of the Governor.**

25 **3. The Executive Director may, within the limits of available money, employ**
26 **such additional personnel as may be required to carry out the duties of the**
27 **Commission.**

28 **4. Except as otherwise provided in section 12 of this act, all money received**
29 **by the Executive Director or the Commission pursuant to the provisions of this**
30 **chapter must be deposited with the State Treasurer for credit to the State General**
31 **Fund.**

32 **Sec. 12. 1. The Executive Director may apply for any available grants**
33 **and accept any gifts, grants or donations for the support of the Commission and**
34 **its activities pursuant to the provisions of this chapter.**

35 **2. Any money received pursuant to this section must be deposited in the**
36 **Special Account for the Support of the Nevada Esports Commission, which is**
37 **hereby created in the State General Fund. Interest and income earned on money**
38 **in the Account must be credited to the Account. Money in the Account may only**
39 **be used for the support of the Commission and its activities pursuant to the**
40 **provisions of this chapter.**

41 **Sec. 13. A host shall not stage any Esports ~~[with a purse that exceeds~~**
42 **~~\$1,000]~~ unless the host has first:**

43 **1. Registered with the Commission in the manner prescribed by the**
44 **Commission;**

45 **2. Supplied any information, including, without limitation, tournament**
46 **rules, as required by the Commission; and**

47 **3. Paid any fee required by the Commission.**

48 **Sec. 14. A participant shall not engage in any Esports ~~[with a purse that~~**
49 **~~exceeds \$1,000]~~ unless the participant has first:**

50 **1. Registered with the Commission in the manner prescribed by the**
51 **Commission;**

52 **2. Supplied any information as required by the Commission;**

1 3. Read and agreed to be bound by any applicable tournament rules
2 submitted by the host to the Commission; and

3 4. Paid any fee required by the Commission.

4 **Sec. 15.** 1. The Commission may adopt regulations necessary to carry out
5 the provisions of this chapter.

6 2. The regulations must:

7 (a) Ensure the integrity of Esports.

8 (b) Establish procedures for the enforcement of Commission rules and
9 policies.

10 (c) Prescribe the powers and duties of hosts and participants.

11 (d) Provide for the registration and approval of hosts and participants.

12 (e) Establish qualifications for participants.

13 (f) Establish procedures for the testing of participants, including, without
14 limitation, testing for banned or controlled substances.

15 (g) Require approval of venues that accommodate Esports.

16 **Sec. 16.** Any person who violates any provision of this chapter or any
17 regulations adopted pursuant thereto is guilty of a misdemeanor.

18 **Sec. 17.** 1. This section becomes effective upon passage and approval.

19 2. Sections 1 to 16, inclusive, of this act become effective:

20 (a) Upon passage and approval for the purpose of adopting any regulations and
21 performing any other preparatory administrative tasks that are necessary to carry
22 out the provisions of this act; and

23 (b) On ~~January~~ July 1, 2022, for all other purposes.