

REQUIRES TWO-THIRDS MAJORITY VOTE

(§§ 13, 14)

(Reprinted with amendments adopted on April 19, 2021)

FIRST REPRINT

S.B. 165

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 ~~for mitted 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



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bill require certain persons to register with and provide certain information to the Commission before staging or engaging in any Esports. **Section 15** 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. (Deleted by amendment.)

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

2. *Three members of the Commission constitute a quorum for the exercise of the authority conferred upon the Commission, and*



a concurrence of at least three of the members is necessary to render a choice or a decision by the Commission.

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.

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

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

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

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

(a) Publishers;

(b) Hosts;

(c) Participants;

(d) Broadcasters; and

(e) Judges.

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

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

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

3. Each member of the technical advisory committee shall serve without compensation.

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

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

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

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



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

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

Sec. 13. *A host shall not stage any Esports unless the host has first:*

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

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

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

Sec. 14. *A participant shall not engage in any Esports unless the participant has first:*

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

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

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

4. *Paid any fee required by the Commission.*

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

2. *The regulations must:*

(a) *Ensure the integrity of Esports.*

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

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

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

(e) *Establish qualifications for participants.*

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

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

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

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



- 1 2. Sections 1 to 16, inclusive, of this act become effective:
2 (a) Upon passage and approval for the purpose of adopting any
3 regulations and performing any other preparatory administrative
4 tasks that are necessary to carry out the provisions of this act; and
5 (b) On July 1, 2022, for all other purposes.

