

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; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, the Nevada Gaming Commission and the State Gaming
2 Control Board are required to perform various acts relating to the regulation and
3 control of gaming. (NRS 463.140) This bill authorizes certain business entities to
4 apply for registration with the Board for purposes of placing race book and sports
5 pool wagers.

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

1 **Section 1.** Chapter 463 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act.

3 **Sec. 2.** *The Legislature hereby finds and declares that:*

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

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



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1 3. *A comprehensive registration of business entities that place*
2 *race book and sports pool wagers will provide greater*
3 *transparency for nonrestricted gaming licensees, prevent fraud*
4 *and assist law enforcement agencies in this State.*

5 **Sec. 3.** 1. *A race book or sports pool may accept wagers*
6 *from a business entity if the business entity has registered with the*
7 *Board pursuant to subsection 2. Upon such registration, the*
8 *business entity shall be deemed to be a patron for the purposes of*
9 *this chapter and chapter 465 of NRS.*

10 2. *The Board shall register a business entity upon the*
11 *Board's receipt of:*

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

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

22 (c) *Payment of \$1,000 as an initial registration fee.*

23 3. *The registration of a business entity expires 1 year after the*
24 *date of the delivery of the initial registration to the Board.*

25 4. *The registration of a business entity may be renewed*
26 *annually upon payment of a renewal fee of \$500.*

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

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

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

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

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

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



1 **9. A registered business entity shall:**

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

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

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

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

16 **11. Notwithstanding any other provision of law, a registered**
17 **business entity, any person described in subsection 2 and any**
18 **agent acting on behalf of a registered business entity must not be**
19 **considered to be engaged in the unlawful accepting or facilitating**
20 **of any bet or wager.**

21 **12. As used in this section:**

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

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

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



