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SENATE BILL NO. 72—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE NEVADA GAMING CONTROL BOARD)

PREFILED NOVEMBER 20, 2018

Referred to Committee on Judiciary

SUMMARY—Makes various changes related to gaming.  
(BDR 41-344)

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.

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AN ACT relating to gaming; defining the term “table game” and revising certain other definitions; authorizing the Nevada Gaming Control Board to temporarily suspend the registration of a registered gaming employee upon his or her arrest by an agent of the Board; requiring the Nevada Gaming Commission to adopt regulations relating to such temporary suspensions of registration; requiring the Commission to provide by regulation for the operation and registration of sports wagering ticket brokers and persons associated therewith; establishing provisions relating to certain approvals sought from the Board; revising provisions relating to actions and proceedings of the Board that are exempt from the Open Meeting Law; revising provisions concerning the filing of a change of employment notice by certain registered gaming employees; revising provisions relating to the submission of an application for registration or renewal of registration as a gaming employee or a change of employment notice to the Board; requiring an applicant for registration or renewal of registration as a gaming employee to submit certain fees to the Central Repository for Nevada Records of Criminal History; revising provisions concerning the submission of such an applicant’s fingerprints; revising provisions relating to the revocation of registration as a gaming employee; revising provisions relating to associated equipment; authorizing the Commission to adopt regulations authorizing associated equipment to be located at a hosting center; and providing other matters properly relating thereto.



**Legislative Counsel's Digest:**

1 Existing law defines certain terms relating to gaming for the purposes of  
2 chapter 463 of NRS. (NRS 463.013-463.01967) **Section 2** of this bill defines the  
3 term "table game." **Section 8** of this bill revises the definition of the term "cashless  
4 wagering system."

5 **Section 3** of this bill authorizes the Nevada Gaming Control Board to  
6 temporarily suspend the registration of a registered gaming employee if he or she is  
7 arrested by an agent of the Board. **Section 3** also requires the Nevada Gaming  
8 Commission, with the advice and assistance of the Board, to adopt regulations  
9 establishing the process for issuing such a temporary suspension of registration.

10 Existing law provides that certain natural persons and business entities must be  
11 licensed, registered, found suitable or approved to conduct or be involved in  
12 gaming or certain activities relating to gaming. (Chapter 463 of NRS) **Section 4** of  
13 this bill requires the Nevada Gaming Commission, with the advice and assistance  
14 of the Nevada Gaming Control Board, to provide by regulation for the operation  
15 and registration of sports wagering ticket brokers and persons associated therewith.

16 Existing law provides that: (1) an applicant for a gaming license or other  
17 affirmative approval from the Nevada Gaming Commission has no right to the  
18 license or approval; and (2) such licenses and approvals are revocable privileges  
19 under which no vested right is granted or otherwise acquired. (NRS 463.0129)  
20 **Section 5** of this bill includes affirmative approvals from the Nevada Gaming  
21 Control Board in such provisions.

22 Existing law defines the terms "game" or "gambling game" to include a game  
23 or device approved by the Nevada Gaming Commission. (NRS 463.0152) **Section**  
24 **9** of this bill revises the definition to include any game or device approved by the  
25 Nevada Gaming Control Board instead of the Commission.

26 Existing law provides that the Open Meeting Law does not apply to any action  
27 or proceeding of the Board that is related to making a determination as to whether:  
28 (1) certain violations have occurred; or (2) to file certain complaints with the  
29 Commission. (NRS 463.3105) Such provisions are scheduled to expire by  
30 limitation on May 30, 2019. (Section 5 of chapter 274, Statutes of Nevada 2015, p.  
31 1367) **Section 15** of this bill removes that expiration date, thereby extending  
32 indefinitely the exemption from the Open Meeting Law for such actions or  
33 proceedings of the Board. **Section 10** of this bill additionally provides that the  
34 Open Meeting Law does not apply to any action or proceeding of the Board that is  
35 related to: (1) an interpretation of provisions of state law or regulations related to  
36 gaming or of the applicability of any federal or state law or regulation to such  
37 provisions; or (2) a determination as to whether the Board will issue an industry  
38 notice concerning any such interpretation.

39 Existing law: (1) prohibits a person from being employed as a gaming  
40 employee unless he or she is registered as a gaming employee; and (2) requires a  
41 registered gaming employee to file a change of employment notice with the Board  
42 if he or she becomes employed as a gaming employee at another or additional  
43 gaming establishment. (NRS 463.335) **Section 11** of this bill also requires a  
44 registered gaming employee to file such a change of employment notice if he or  
45 she: (1) is a security guard who is employed in an unarmed position and becomes  
46 employed in an armed position; or (2) is not a security guard and becomes  
47 employed as a security guard in an unarmed or armed position. **Section 11**  
48 additionally revises provisions relating to the submission of an application for  
49 registration or renewal of registration as a gaming employee or a change of  
50 employment notice to the Board.

51 Existing law requires the Board to conduct an investigation of each person who  
52 files an application for registration or renewal of registration as a gaming employee  
53 and submit the applicant's fingerprints to the Central Repository for Nevada  
54 Records of Criminal History for reports of the applicant's criminal history from the



55 Central Repository and the Federal Bureau of Investigation. Existing law provides  
56 that the fee for processing any such application may be charged only to cover the  
57 actual investigative and administrative costs related to processing the application  
58 and the fees charged to process the applicant's fingerprints. (NRS 463.335) **Section**  
59 **11:** (1) provides that the fee for processing any such application may be charged  
60 only to cover the costs incurred by the Board; and (2) requires an applicant to  
61 submit to the Central Repository the fees charged by the Central Repository and the  
62 Federal Bureau of Investigation to process the applicant's fingerprints. **Section 11**  
63 also provides that only one set of the applicant's fingerprints must be submitted  
64 with the application.

65 Existing law authorizes the Commission to revoke the registration of a gaming  
66 employee if the Commission finds after a hearing that the gaming employee, after  
67 being registered as a gaming employee, committed, attempted or conspired to  
68 commit larceny or embezzlement against a gaming licensee or upon the premises of  
69 a licensed gaming establishment. (NRS 463.337) **Section 12** of this bill adds theft  
70 to such crimes.

71 Existing law requires that regulations adopted by the Commission relating  
72 to associated equipment must require persons who manufacture or distribute  
73 associated equipment for use in Nevada to be registered with the Board if such  
74 associated equipment has certain characteristics. (NRS 463.665) **Section 13** of this  
75 bill revises such characteristics, and **section 7** of this bill revises the definition of  
76 "associated equipment" accordingly. **Section 14** of this bill authorizes the  
77 Commission to adopt regulations that include a provision authorizing associated  
78 equipment to be located at a hosting center.

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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, 3 and 4 of this act.

3 **Sec. 2.** *"Table game" means a gambling game played with*  
4 *cards, dice, equipment or another device in which players compete*  
5 *against a licensed gaming establishment for money, property,*  
6 *checks, credit or any representative of value. The term includes,*  
7 *without limitation, any banking game or any other game approved*  
8 *by the Board.*

9 **Sec. 3. 1.** *If a person who is registered with the Board as a*  
10 *gaming employee is arrested by an agent of the Board, the Board*  
11 *may temporarily suspend the registration of the gaming employee.*

12 **2.** *The Commission, with the advice and assistance of the*  
13 *Board, shall adopt regulations establishing the process for issuing*  
14 *a temporary suspension of the registration of a person as a*  
15 *gaming employee if he or she is arrested by an agent of the Board.*

16 **3.** *As used in this section, "agent of the Board" means a*  
17 *person who possesses the powers of a peace officer pursuant to*  
18 *NRS 289.360.*

19 **Sec. 4. 1.** *The Commission shall, with the advice and*  
20 *assistance of the Board, provide by regulation for the operation*



1 *and registration of sports wagering ticket brokers and persons*  
2 *associated therewith.*

3 *2. Such regulations may include, without limitation:*

4 *(a) Provisions relating to the operation and location of sports*  
5 *wagering ticket brokers, including, without limitation, minimum*  
6 *internal and operational control standards established by the*  
7 *Commission.*

8 *(b) Provisions relating to the registration of persons owning or*  
9 *operating a business as a sports wagering ticket broker and any*  
10 *persons having a significant involvement with such a business, as*  
11 *determined by the Commission.*

12 *(c) A provision that the person owning, operating or having a*  
13 *significant involvement with a sports wagering ticket broker may*  
14 *be required by the Commission to be found suitable to be*  
15 *associated with licensed gaming, including race book or sports*  
16 *pool operations.*

17 *(d) The establishment of fees for an initial registration and the*  
18 *renewal of a registration.*

19 *(e) The establishment of an appropriate period of validity of a*  
20 *registration.*

21 *(f) Additional matters which the Commission deems necessary*  
22 *and appropriate to carry out the provisions of this section and*  
23 *which are consistent with the public policy of this State pursuant*  
24 *to NRS 463.0129.*

25 *3. As used in this section, "sports wagering ticket broker"*  
26 *means a person who, for any form of compensation, fee or other*  
27 *remuneration, facilitates the sale of an active sports wager*  
28 *between the original bettor and a buyer.*

29 **Sec. 5.** NRS 463.0129 is hereby amended to read as follows:

30 463.0129 1. The Legislature hereby finds, and declares to be  
31 the public policy of this state, that:

32 (a) The gaming industry is vitally important to the economy of  
33 the State and the general welfare of the inhabitants.

34 (b) The continued growth and success of gaming is dependent  
35 upon public confidence and trust that licensed gaming and the  
36 manufacture, sale and distribution of gaming devices and associated  
37 equipment are conducted honestly and competitively, that  
38 establishments which hold restricted and nonrestricted licenses  
39 where gaming is conducted and where gambling devices are  
40 operated do not unduly impact the quality of life enjoyed by  
41 residents of the surrounding neighborhoods, that the rights of the  
42 creditors of licensees are protected and that gaming is free from  
43 criminal and corruptive elements.

44 (c) Public confidence and trust can only be maintained by strict  
45 regulation of all persons, locations, practices, associations and



1 activities related to the operation of licensed gaming establishments,  
2 the manufacture, sale or distribution of gaming devices and  
3 associated equipment and the operation of inter-casino linked  
4 systems.

5 (d) All establishments where gaming is conducted and where  
6 gaming devices are operated, and manufacturers, sellers and  
7 distributors of certain gaming devices and equipment, and operators  
8 of inter-casino linked systems must therefore be licensed, controlled  
9 and assisted to protect the public health, safety, morals, good order  
10 and general welfare of the inhabitants of the State, to foster the  
11 stability and success of gaming and to preserve the competitive  
12 economy and policies of free competition of the State of Nevada.

13 (e) To ensure that gaming is conducted honestly, competitively  
14 and free of criminal and corruptive elements, all gaming  
15 establishments in this state must remain open to the general public  
16 and the access of the general public to gaming activities must not be  
17 restricted in any manner except as provided by the Legislature.

18 2. No applicant for a license or other affirmative ~~commission~~  
19 *Commission or Board* approval has any right to a license or the  
20 granting of the approval sought. Any license issued or other  
21 ~~commission~~ *Commission or Board* approval granted pursuant to  
22 the provisions of this chapter or chapter 464 of NRS is a revocable  
23 privilege, and no holder acquires any vested right therein or  
24 thereunder.

25 3. This section does not:

26 (a) Abrogate or abridge any common-law right of a gaming  
27 establishment to exclude any person from gaming activities or eject  
28 any person from the premises of the establishment for any reason; or

29 (b) Prohibit a licensee from establishing minimum wagers for  
30 any gambling game or slot machine.

31 **Sec. 6.** NRS 463.013 is hereby amended to read as follows:

32 463.013 As used in this chapter, unless the context otherwise  
33 requires, the words and terms defined in NRS 463.0133 to  
34 463.01967, inclusive, *and section 2 of this act* have the meanings  
35 ascribed to them in those sections.

36 **Sec. 7.** NRS 463.0136 is hereby amended to read as follows:

37 463.0136 "Associated equipment" means ~~⌘~~

38 ~~1. Any~~ *any* equipment or mechanical, electromechanical or  
39 electronic contrivance, component or machine used remotely or  
40 directly in connection with gaming or mobile gaming, any game,  
41 race book or sports pool that would not otherwise be classified as a  
42 gaming device, including dice, playing cards, links which connect to  
43 progressive slot machines, equipment which affects the proper  
44 reporting of gross revenue, computerized systems of betting at a



1 race book or sports pool, computerized systems for monitoring slot  
2 machines and devices for weighing or counting money. ~~;~~ ~~or~~  
3 ~~—2.— A computerized system for recordation of sales for use in an~~  
4 ~~area subject to the tax imposed pursuant to NRS 368A.200.]~~

5 **Sec. 8.** NRS 463.014 is hereby amended to read as follows:

6 463.014 “Cashless wagering system” means a method of  
7 wagering and accounting:

8 1. In which the validity and value of a wagering instrument or  
9 wagering credits are determined, monitored and retained by a  
10 computer ~~[operated and maintained by a licensee which]~~ *that*  
11 maintains a record of each transaction involving the wagering  
12 instrument or wagering credits, exclusive of the game or gaming  
13 device on which wagers are being made. The term includes  
14 computerized systems which facilitate electronic transfers of money  
15 directly to or from a game or gaming device; or

16 2. Used in a race book or sports pool in which the validity and  
17 value of a wagering instrument or wagering credits are determined,  
18 monitored and retained on a computer that maintains a record of  
19 each transaction involving the wagering instrument or wagering  
20 credits. ~~[and is operated and maintained by a licensee.]~~

21 **Sec. 9.** NRS 463.0152 is hereby amended to read as follows:

22 463.0152 “Game” or “gambling game” means any game  
23 played with cards, dice, equipment or any mechanical,  
24 electromechanical or electronic device or machine for money,  
25 property, checks, credit or any representative of value, including,  
26 without limiting the generality of the foregoing, faro, monte,  
27 roulette, keno, bingo, fan-tan, twenty-one, blackjack, seven-and-a-  
28 half, big injun, klondike, craps, poker, chuck-a-luck, Chinese chuck-  
29 a-luck (dai shu), wheel of fortune, chemin de fer, baccarat, pai gow,  
30 beat the banker, panguingui, slot machine, any banking or  
31 percentage game or any other game or device approved by the  
32 ~~[Commission,]~~ *Board*, but does not include games played with cards  
33 in private homes or residences in which no person makes money for  
34 operating the game, except as a player, or games operated by  
35 charitable or educational organizations which are approved by the  
36 Board pursuant to the provisions of NRS 463.409.

37 **Sec. 10.** NRS 463.3105 is hereby amended to read as follows:

38 463.3105 The provisions of NRS 241.020 do not apply to any  
39 action or proceeding of the Board that is related to:

40 1. A determination made pursuant to paragraph (a) or (b) of  
41 subsection 1 of NRS 463.310 of whether a violation of this chapter  
42 or chapter 368A, 462, 464, 465 or 466, or any regulation adopted  
43 pursuant thereto, has occurred; ~~[or]~~



1 2. A determination made pursuant to subsection 2 of NRS  
2 463.310 of whether to file a complaint with the Commission and the  
3 content of any such complaint ~~is~~;

4 *3. An interpretation of:*

5 *(a) Any provision of title 41 of NRS or any regulations*  
6 *promulgated thereunder; or*

7 *(b) The applicability of any federal or state law or regulation*  
8 *to any provision of title 41 of NRS or any regulations promulgated*  
9 *thereunder; or*

10 *4. A determination as to whether the Board will issue an*  
11 *industry notice concerning any interpretation made pursuant to*  
12 *subsection 3.*

13 **Sec. 11.** NRS 463.335 is hereby amended to read as follows:

14 463.335 1. The Legislature finds that, to protect and promote  
15 the health, safety, morals, good order and general welfare of the  
16 inhabitants of the State of Nevada and to carry out the policy  
17 declared in NRS 463.0129, it is necessary that the Board:

18 (a) Ascertain and keep itself informed of the identity, prior  
19 activities and present location of all gaming employees in the State  
20 of Nevada; and

21 (b) Maintain confidential records of such information.

22 2. A person may not be employed as a gaming employee unless  
23 the person is temporarily registered or registered as a gaming  
24 employee pursuant to this section. An applicant for registration or  
25 renewal of registration as a gaming employee must file an  
26 application for registration or renewal of registration with the Board.  
27 Whenever a registered gaming employee, whose registration has not  
28 expired, has not been objected to by the Board, or has not been  
29 suspended or revoked ~~becomes~~ :

30 *(a) Becomes* employed as a gaming employee at another or  
31 additional gaming establishment ~~is~~; *or*

32 *(b) If the registered gaming employee:*

33 *(1) Is a security guard and is employed in an unarmed*  
34 *position, becomes employed in an armed position; or*

35 *(2) Is not a security guard and becomes employed as a*  
36 *security guard in an unarmed or armed position,*

37 *the registered gaming employee must file a change of*  
38 *employment notice within 10 calendar days with the Board. The*  
39 *application for registration and change of employment notice must*  
40 *be filed through the licensee for whom the applicant will commence*  
41 *or continue working as a gaming employee, unless otherwise filed*  
42 *with the Board as prescribed by regulation of the Commission.*

43 3. The Board shall prescribe the forms for the application for  
44 registration as a gaming employee and the change of employment  
45 notice.



1 4. A complete application for registration or renewal of  
2 registration as a gaming employee or a change of employment  
3 notice received by a licensee must be ~~mailed or delivered~~  
4 *submitted* to the Board ~~within 5 business days after receipt unless~~  
5 ~~the date is administratively extended by the Chair of the Board for~~  
6 ~~good cause.] before the applicant may commence or continue~~  
7 *working as a gaming employee.* A licensee is not responsible for  
8 the accuracy or completeness of any application for registration or  
9 renewal of registration as a gaming employee or any change of  
10 employment notice.

11 5. The Board shall immediately conduct an investigation of  
12 each person who files an application for registration or renewal of  
13 registration as a gaming employee to determine whether the person  
14 is eligible for registration as a gaming employee. In conducting the  
15 investigation, ~~two~~ a complete ~~sets~~ *set* of the applicant's  
16 fingerprints must be submitted to the Central Repository for Nevada  
17 Records of Criminal History for:

18 (a) A report concerning the criminal history of the applicant; and

19 (b) Submission to the Federal Bureau of Investigation for a  
20 report concerning the criminal history of the applicant.

21 ➤ The investigation need not be limited solely to consideration of  
22 the results of the report concerning the criminal history of the  
23 applicant. The fee for processing an application for registration or  
24 renewal of registration as a gaming employee may be charged only  
25 to cover the actual investigative and administrative costs related to  
26 processing the application ~~and~~ *that are incurred by the Board. An*  
27 *applicant shall submit to the Central Repository for Nevada*  
28 *Records of Criminal History* the fees charged by the Central  
29 Repository ~~for Nevada Records of Criminal History~~ and the  
30 Federal Bureau of Investigation to process the fingerprints of ~~an~~  
31 *the* applicant pursuant to this subsection.

32 6. Upon receipt of a change of employment notice, the Board  
33 may conduct any investigations of the gaming employee that the  
34 Board deems appropriate to determine whether the gaming  
35 employee may remain registered as a gaming employee. The fee  
36 charged by the Board to process a change of employment notice  
37 may cover only the actual investigative and administrative costs  
38 related to processing the change of employment notice. The filing of  
39 a change of employment notice constitutes an application for  
40 registration as a gaming employee, and if the Board, after  
41 conducting its investigation, suspends or objects to the continued  
42 registration of the gaming employee, the provisions of subsections  
43 10 to 16, inclusive, apply to such suspension by or objection of the  
44 Board.



1 7. Except as otherwise prescribed by regulation of the  
2 Commission, an applicant for registration or renewal of registration  
3 as a gaming employee is deemed temporarily registered as a gaming  
4 employee as of the date a complete application for registration or  
5 renewal of registration is submitted to the licensee for which the  
6 applicant will commence or continue working as a gaming  
7 employee. Unless objected to by the Board or suspended or revoked,  
8 the initial registration of an applicant as a gaming employee expires  
9 5 years after the date employment commences with the applicable  
10 licensee. Any subsequent renewal of registration as a gaming  
11 employee, unless objected to by the Board or suspended or revoked,  
12 expires 5 years after the expiration date of the most recent  
13 registration or renewal of registration of the gaming employee.

14 8. If, within 120 days after receipt by the Board of a complete  
15 application for registration or renewal of registration as a gaming  
16 employee, including classifiable fingerprints, or a change of  
17 employment notice, the Board has not notified the applicable  
18 licensee of any suspension or objection, the applicant shall be  
19 deemed to be registered as a gaming employee. A complete  
20 application for registration or renewal of registration as a gaming  
21 employee is composed of:

22 (a) The fully completed form for application for registration as a  
23 gaming employee prescribed in subsection 3;

24 (b) ~~Two~~ A complete ~~sets~~ set of the fingerprints of the  
25 applicant, unless directly forwarded electronically or by another  
26 means to the Central Repository for Nevada Records of Criminal  
27 History;

28 (c) The fee for processing the application for registration or  
29 renewal of registration as a gaming employee prescribed by the  
30 Board pursuant to subsection 5, unless otherwise prescribed by  
31 regulation of the Commission; and

32 (d) A completed statement as prescribed in subsections 1 and 2  
33 of NRS 463.3351.

34 ➤ If the Board determines after receiving an application for  
35 registration or renewal of registration as a gaming employee that the  
36 application is incomplete, the Board may suspend the temporary  
37 registration as a gaming employee of the applicant who filed the  
38 incomplete application. An applicant whose temporary registration  
39 is suspended shall not be eligible to work as a gaming employee  
40 until such time as the applicant files a complete application.

41 9. A person who is temporarily registered or registered as a  
42 gaming employee is eligible for employment in any licensed gaming  
43 establishment in this State until such registration is objected to by  
44 the Board, expires or is suspended or revoked. The Commission  
45 shall adopt regulations to:



1 (a) Establish uniform procedures for the registration of gaming  
2 employees;

3 (b) Establish uniform criteria for objection by the Board of an  
4 application for registration; and

5 (c) Provide for the creation and maintenance of a system of  
6 records that contain information regarding the current place of  
7 employment of each person who is registered as a gaming employee  
8 and each person whose registration as a gaming employee has  
9 expired, was objected to by the Board, or was suspended or revoked.  
10 The system of records must be accessible by:

11 (1) Licensees for the limited purpose of complying with  
12 subsection 2; and

13 (2) The Central Repository for Nevada Records of Criminal  
14 History for the limited purpose of complying with NRS 179D.570.

15 10. If the Board, within the 120-day period prescribed in  
16 subsection 8, notifies:

17 (a) The applicable licensee; and

18 (b) The applicant,

19 ↪ that the Board suspends or objects to the temporary registration  
20 of an applicant as a gaming employee, the licensee shall  
21 immediately terminate the applicant from employment or reassign  
22 the applicant to a position that does not require registration as a  
23 gaming employee. The notice of suspension or objection by the  
24 Board which is sent to the applicant must include a statement of the  
25 facts upon which the Board relied in making its suspension or  
26 objection.

27 11. Any person whose application for registration or renewal of  
28 registration as a gaming employee has been suspended or objected  
29 to by the Board may, not later than 60 days after receiving notice of  
30 the suspension or objection, apply to the Board for a hearing. A  
31 failure of a person whose application has been objected to or  
32 suspended to apply for a hearing within 60 days or his or her failure  
33 to appear at a hearing of the Board conducted pursuant to this  
34 section shall be deemed to be an admission that the suspension or  
35 objection is well-founded, and the failure precludes administrative  
36 or judicial review. At the hearing, the Board shall take any  
37 testimony deemed necessary. After the hearing, the Board shall  
38 review the testimony taken and any other evidence and shall, within  
39 45 days after the date of the hearing, mail to the applicant its  
40 decision sustaining or reversing the suspension or the objection to  
41 the registration of the applicant as a gaming employee.

42 12. The Board may suspend or object to the registration of an  
43 applicant as a gaming employee for any cause deemed reasonable  
44 by the Board. The Board may object to or suspend the registration if  
45 the applicant has:



1 (a) Failed to disclose or misstated information or otherwise  
2 attempted to mislead the Board with respect to any material fact  
3 contained in the application for registration as a gaming employee;

4 (b) Knowingly failed to comply with the provisions of this  
5 chapter or chapter 463B, 464 or 465 of NRS and the regulations of  
6 the Commission at a place of previous employment;

7 (c) Committed, attempted or conspired to commit any crime of  
8 moral turpitude, embezzlement or larceny or any violation of any  
9 law pertaining to gaming, or any crime which is inimical to the  
10 declared policy of this State concerning gaming;

11 (d) Committed, attempted or conspired to commit a crime which  
12 is a felony or gross misdemeanor in this State or an offense in  
13 another state or jurisdiction which would be a felony or gross  
14 misdemeanor if committed in this State and which relates to the  
15 applicant's suitability or qualifications to work as a gaming  
16 employee;

17 (e) Been identified in the published reports of any federal or  
18 state legislative or executive body as being a member or associate of  
19 organized crime, or as being of notorious and unsavory reputation;

20 (f) Been placed and remains in the constructive custody of any  
21 federal, state or municipal law enforcement authority; or

22 (g) Had registration as a gaming employee revoked or  
23 committed any act which is a ground for the revocation of  
24 registration as a gaming employee or would have been a ground for  
25 revoking registration as a gaming employee if the applicant had then  
26 been registered as a gaming employee.

27 ↪ If the Board registers or does not suspend or object to the  
28 registration of an applicant as a gaming employee, it may specially  
29 limit the period for which the registration is valid, limit the job  
30 classifications for which the registered gaming employee may be  
31 employed and establish such individual conditions for the renewal  
32 and effectiveness of the registration as the Board deems appropriate,  
33 including required submission to unscheduled tests for the presence  
34 of alcohol or controlled substances. If a gaming employee fails to  
35 comply with any limitation or condition placed on the effectiveness  
36 of the gaming employee's registration as a gaming employee,  
37 notwithstanding any other provision of this section, the Board may  
38 object to the gaming employee's registration. If the Board objects to  
39 the gaming employee's registration, the provisions regarding the  
40 continued effectiveness of the registration and the review of the  
41 objection set forth in subsections 10 to 16, inclusive, apply,  
42 including, without limitation, the requirement to notify the  
43 applicable licensee about the objection.

44 13. Any applicant aggrieved by the decision of the Board may,  
45 within 15 days after the announcement of the decision, apply in



1 writing to the Commission for review of the decision. Review is  
2 limited to the record of the proceedings before the Board. The  
3 Commission may sustain, modify or reverse the Board's decision.  
4 The decision of the Commission is subject to judicial review  
5 pursuant to NRS 463.315 to 463.318, inclusive.

6 14. The Chair of the Board may designate a member of the  
7 Board or the Board may appoint a hearing examiner and authorize  
8 that person to perform on behalf of the Board any of the following  
9 functions required of the Board by this section concerning the  
10 registration or renewal of registration of gaming employees:

11 (a) Conducting a hearing and taking testimony;

12 (b) Reviewing the testimony and evidence presented at the  
13 hearing;

14 (c) Making a recommendation to the Board based upon the  
15 testimony and evidence or rendering a decision on behalf of the  
16 Board to sustain or reverse the suspension of or the objection to  
17 the registration of an applicant as a gaming employee; and

18 (d) Notifying the applicant of the decision.

19 15. Notice by the Board as provided pursuant to subsections 1  
20 to 14, inclusive, is sufficient if it is mailed to the applicant's last  
21 known address as indicated on the application for registration as a  
22 gaming employee or the record of the hearing, as the case may be.  
23 The date of mailing may be proven by a certificate signed by an  
24 officer or employee of the Board which specifies the time the notice  
25 was mailed. The notice shall be deemed to have been received by  
26 the applicant 5 days after it is deposited with the United States  
27 Postal Service with the postage thereon prepaid.

28 16. Except as otherwise provided in this subsection, all records  
29 acquired or compiled by the Board or Commission relating to any  
30 application made pursuant to this section, all lists of persons  
31 registered as gaming employees, all lists of persons suspended or  
32 objected to by the Board and all records of the names or identity of  
33 persons engaged in the gaming industry in this State are confidential  
34 and must not be disclosed except in the proper administration of this  
35 chapter or to an authorized law enforcement agency. Upon receipt of  
36 a request from the Division of Welfare and Supportive Services of  
37 the Department of Health and Human Services pursuant to NRS  
38 425.400 for information relating to a specific person who has  
39 applied for registration as a gaming employee or is registered as a  
40 gaming employee, the Board shall disclose to the Division the  
41 person's social security number, residential address and current  
42 employer as that information is listed in the files and records of the  
43 Board. Any record of the Board or Commission which shows that  
44 the applicant has been convicted of a crime in another state must  
45 show whether the crime was a misdemeanor, gross misdemeanor,



1 felony or other class of crime as classified by the state in which the  
2 crime was committed. In a disclosure of the conviction, reference to  
3 the classification of the crime must be based on the classification in  
4 the state where it was committed.

5 17. If the Central Repository for Nevada Records of Criminal  
6 History, in accordance with the provisions of NRS 179D.570,  
7 provides the Board with the name and other identifying information  
8 of a registered gaming employee who is not in compliance with the  
9 provisions of chapter 179D of NRS, the Board shall notify the  
10 person that, unless the person provides the Board with verifiable  
11 documentation confirming that the person is currently in compliance  
12 with the provisions of chapter 179D of NRS within 15 days after  
13 receipt of such notice, the Board shall, notwithstanding any other  
14 provisions of this section, conduct a hearing for the purpose of  
15 determining whether the registration of the person as a gaming  
16 employee must be suspended for noncompliance with the provisions  
17 of chapter 179D of NRS.

18 18. Notwithstanding any other provisions of this section, if a  
19 person notified by the Board pursuant to subsection 17 does not  
20 provide the Board, within the 15 days prescribed therein, with  
21 verifiable documentation establishing that the person is currently in  
22 compliance with the provisions of chapter 179D of NRS, the Chair  
23 of the Board shall, within 10 days thereof, appoint a hearing  
24 examiner to conduct a hearing to determine whether the person is, in  
25 fact, not in compliance with the provisions of chapter 179D of NRS.  
26 The hearing examiner shall, within 5 days after the date the hearing  
27 examiner is appointed by the Chair, notify the person of the date of  
28 the hearing. The hearing must be held within 20 days after the date  
29 on which the hearing examiner is appointed by the Chair, unless  
30 administratively extended by the Chair for good cause. At the  
31 hearing, the hearing examiner may take any testimony deemed  
32 necessary and shall render a decision sustaining or reversing the  
33 findings of the Central Repository for Nevada Records of Criminal  
34 History. The hearing examiner shall notify the person of the hearing  
35 examiner's decision within 5 days after the date on which the  
36 decision is rendered. A failure of a person to appear at a hearing  
37 conducted pursuant to this section shall be deemed to be an  
38 admission that the findings of the hearing examiner are  
39 well-founded.

40 19. If, after conducting the hearing prescribed in subsection 18,  
41 the hearing examiner renders a decision that the person who is the  
42 subject of the hearing:

43 (a) Is not in compliance with the provisions of chapter 179D of  
44 NRS, the Board shall, notwithstanding any other provisions of this  
45 section:



1 (1) Suspend the registration of the person as a gaming  
2 employee;

3 (2) Notify the person to contact the Central Repository for  
4 Nevada Records of Criminal History to determine the actions that  
5 the person must take to be in compliance with the provisions of  
6 chapter 179D of NRS; and

7 (3) Notify the licensee for which the person is employed as a  
8 gaming employee, in the manner prescribed in subsection 20, that  
9 the Board has suspended the registration of the person as a gaming  
10 employee and that the licensee must immediately terminate the  
11 person from employment or reassign the person to a position that  
12 does not require registration as a gaming employee.

13 (b) Is in compliance with the provisions of chapter 179D of  
14 NRS, the Board shall notify the person and the Central Repository  
15 for Nevada Records of Criminal History, in the manner prescribed  
16 in subsection 20, of the findings of the hearing examiner.

17 20. Notice as provided pursuant to subsections 17, 18 and 19 is  
18 sufficient if it is mailed to the person's last known address as  
19 indicated on the most recent application for registration as a gaming  
20 employee or the record of the hearing, or to the person at his or her  
21 place of gaming employment. The date of mailing may be proven by  
22 a certificate signed by an officer or employee of the Board which  
23 specifies the time the notice was mailed. The notice shall be deemed  
24 to have been received by the applicant 5 days after it is deposited  
25 with the United States Postal Service with the postage thereon  
26 prepaid.

27 21. The Board shall remove a suspension entered in accordance  
28 with subsection 19 and reinstate the registration of a person as a  
29 gaming employee upon receipt of verifiable documentation  
30 confirming that the person is currently in compliance with the  
31 provisions of chapter 179D of NRS.

32 **Sec. 12.** NRS 463.337 is hereby amended to read as follows:

33 463.337 1. If any gaming employee who is registered as a  
34 gaming employee with the Board is convicted of any violation of  
35 this chapter or chapter 463B, 464 or 465 of NRS, or if in  
36 investigating an alleged violation of this chapter by any licensee the  
37 Commission finds that a registered gaming employee employed by  
38 the licensee has been guilty of cheating, the Commission shall, after  
39 a hearing as provided in NRS 463.310 and 463.312 to 463.3145,  
40 inclusive, revoke the registration.

41 2. The Commission may revoke the registration of a gaming  
42 employee if the Commission finds, after a hearing as provided in  
43 NRS 463.310 and 463.312 to 463.3145, inclusive, that the gaming  
44 employee has failed to disclose, misstated or otherwise misled the  
45 Board in respect to any fact contained within any application for



1 registration as a gaming employee or, subsequent to being registered  
2 as a gaming employee:

3 (a) Committed, attempted or conspired to do any of the acts  
4 prohibited by this chapter or chapter 463B, 464 or 465 of NRS;

5 (b) Knowingly possessed or permitted to remain in or upon any  
6 licensed premises any cards, dice, mechanical device or any other  
7 cheating device whatever, the use of which is prohibited by statute  
8 or ordinance;

9 (c) Concealed or refused to disclose any material fact in any  
10 investigation by the Board;

11 (d) Committed, attempted or conspired to commit larceny, ~~for~~  
12 embezzlement *or theft* against a gaming licensee or upon the  
13 premises of a licensed gaming establishment;

14 (e) Been convicted in any jurisdiction other than Nevada of any  
15 offense involving or relating to gambling;

16 (f) Accepted employment without prior Commission approval in  
17 a position for which the gaming employee could be required to be  
18 licensed under this chapter after having been denied a license for a  
19 reason involving personal unsuitability or after failing to apply for  
20 licensing when requested to do so by the Commission;

21 (g) Been refused the issuance of any license, permit or approval  
22 to engage in or be involved with gaming or pari-mutuel wagering in  
23 any jurisdiction other than Nevada, or had any such license, permit  
24 or approval revoked or suspended;

25 (h) Been prohibited under color of governmental authority from  
26 being present upon the premises of any gaming establishment or any  
27 establishment where pari-mutuel wagering is conducted for any  
28 reason relating to improper gambling activities or any illegal act;

29 (i) Contumaciously defied any legislative investigative  
30 committee or other officially constituted bodies acting on behalf of  
31 the United States or any state, county or municipality which seeks to  
32 investigate crimes relating to gaming, corruption of public officials,  
33 or any organized criminal activities; or

34 (j) Been convicted of any felony or gross misdemeanor, other  
35 than one constituting a violation of this chapter or chapter 463B,  
36 464 or 465 of NRS.

37 3. A gaming employee whose registration as a gaming  
38 employee has been revoked pursuant to this section is entitled to  
39 judicial review of the Commission's action in the manner prescribed  
40 by NRS 463.315 to 463.318, inclusive.

41 4. Nothing in this section limits or prohibits the enforcement of  
42 NRS 463.165, 463.560, 463.595, 463.637 or 463.645.

43 **Sec. 13.** NRS 463.665 is hereby amended to read as follows:

44 463.665 1. The Commission shall, with the advice and  
45 assistance of the Board, adopt regulations prescribing:



1 (a) The manner and method for the approval of associated  
2 equipment by the Board; and

3 (b) The method and form of any application required by  
4 paragraph (a).

5 2. Except as otherwise provided in subsection 4, the  
6 regulations adopted pursuant to subsection 1 must:

7 (a) Require persons who manufacture or distribute associated  
8 equipment for use in this State to be registered with the Board if  
9 such associated equipment:

10 (1) Is directly used in gaming;

11 (2) Has the ability to add or subtract cash, cash equivalents  
12 or wagering credits to a game, gaming device or cashless wagering  
13 system;

14 (3) Interfaces with and affects the operation of a game,  
15 gaming device, cashless wagering system or other associated  
16 equipment;

17 (4) Is used directly or indirectly in the reporting of gross  
18 revenue; *or*

19 (5) ~~Records sales for use in an area subject to the tax~~  
20 ~~imposed by NRS 368A.200; or~~

21 ~~(6)~~ Is otherwise determined by the Board to create a risk to  
22 the integrity of gaming and protection of the public if not regulated;

23 (b) Establish the degree of review an applicant for registration  
24 pursuant to this section must undergo, which level may be different  
25 for different forms of associated equipment; and

26 (c) Establish fees for the application, issuance and renewal of  
27 the registration required pursuant to this section, which must not  
28 exceed \$1,000 per application, issuance or renewal of such  
29 registration.

30 3. This section does not apply to:

31 (a) A licensee; or

32 (b) An affiliate of a licensee or an independent contractor as  
33 defined by NRS 463.01715.

34 4. In addition to requiring a manufacturer or distributor of  
35 associated equipment to be registered as set forth in subsections 2  
36 and 3, a manufacturer or distributor of associated equipment who  
37 sells, transfers or offers the associated equipment for use or play in  
38 Nevada may be required by the Board to file an application for a  
39 finding of suitability to be a manufacturer or distributor of  
40 associated equipment.

41 5. In addition to requiring a manufacturer or distributor of  
42 associated equipment to be registered as set forth in subsections 2  
43 and 3, any person who directly or indirectly involves himself or  
44 herself in the sale, transfer or offering for use or play in Nevada of  
45 such associated equipment who is not otherwise required to be



1 licensed as a manufacturer or distributor may be required by the  
2 Board to file an application for a finding of suitability to be a  
3 manufacturer or distributor of associated equipment.

4 6. If an application for a finding of suitability is not submitted  
5 to the Board within 30 days after demand by the Board, it may  
6 pursue any remedy or combination of remedies provided in this  
7 chapter.

8 7. Any person who manufactures or distributes associated  
9 equipment who has complied with all applicable regulations adopted  
10 by the Commission before October 1, 2015, shall be deemed to be  
11 registered pursuant to this section.

12 **Sec. 14.** NRS 463.673 is hereby amended to read as follows:

13 463.673 1. The Legislature finds that:

14 (a) To protect and promote the health, safety, morals, good order  
15 and general welfare of the inhabitants of this State, and to carry out  
16 the public policy declared in NRS 463.0129, it is necessary that the  
17 Board and Commission be allowed to react to rapidly evolving  
18 technological advances while maintaining strict regulation and  
19 control of gaming.

20 (b) Technological advances have evolved which allow certain  
21 parts of games, gaming devices, cashless wagering systems and race  
22 book and sports pool operations to be conducted at locations that are  
23 not on the premises of a licensed gaming establishment.

24 2. Except as otherwise provided in subsection 3, the  
25 Commission may, with the advice and assistance of the Board,  
26 provide by regulation for the operation and registration of hosting  
27 centers and persons associated therewith. Such regulations may  
28 include:

29 (a) Provisions relating to the operation and location of hosting  
30 centers, including, without limitation, minimum internal and  
31 operational control standards established by the Commission.

32 (b) Provisions relating to the registration of persons owning or  
33 operating a hosting center and any persons having a significant  
34 involvement with a hosting center, as determined by the  
35 Commission.

36 (c) A provision that a person owning, operating or having a  
37 significant involvement with a hosting center may be required by  
38 the Commission to be found suitable to be associated with licensed  
39 gaming, including race book or sports pool operations.

40 (d) *A provision that authorizes associated equipment to be*  
41 *located at a hosting center.*

42 (e) Additional matters which the Commission deems necessary  
43 and appropriate to carry out the provisions of this section and which  
44 are consistent with the public policy of this State pursuant to  
45 NRS 463.0129.



1 3. The Commission may not adopt regulations pursuant to this  
2 section until the Commission first determines that hosting centers  
3 are secure and reliable, do not pose a threat to the integrity of  
4 gaming and are consistent with the public policy of this State  
5 pursuant to NRS 463.0129.

6 4. Regulations adopted by the Commission pursuant to this  
7 section must:

8 (a) Define "hosting center."

9 (b) Provide that the premises on which the hosting center is  
10 located are subject to the power and authority of the Board and  
11 Commission pursuant to NRS 463.140, as though the premises are  
12 where gaming is conducted and the hosting center is a gaming  
13 licensee.

14 **Sec. 15.** Section 5 of chapter 274, Statutes of Nevada 2015, at  
15 page 1367, is hereby amended to read as follows:

16 Sec. 5. ~~[1.]~~ This act becomes effective upon passage  
17 and approval.

18 ~~[2.—Section 1 of this act expires by limitation 4 years~~  
19 ~~after the effective date of this act.]~~

20 **Sec. 16.** 1. This section and section 15 of this act become  
21 effective upon passage and approval.

22 2. Sections 1 to 14, inclusive, of this act become effective:

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

26 (b) On July 1, 2019, for all other purposes.





