
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.

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:

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

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

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

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

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

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

Existing law: (1) prohibits a person from being employed as a gaming employee unless he or she is registered as a gaming employee; and (2) requires a registered gaming employee to file a change of employment notice with the Board if he or she becomes employed as a gaming employee at another or additional gaming establishment. (NRS 463.335) **Section 11** of this bill also requires a registered gaming employee to file such a change of employment notice if he or she: (1) is a security guard who is employed in an unarmed position and becomes employed in an armed position; or (2) is not a security guard and becomes employed as a security guard in an unarmed or armed position. **Section 11** additionally revises 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.

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



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

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

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

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

Section 1. Chapter 463 of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this act.

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

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

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

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

Sec. 4. 1. *The Commission shall, with the advice and 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



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

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

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

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

3. This section does not:

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

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

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

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

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

463.0136 “Associated equipment” means ~~the~~ *—1. Any* any equipment or mechanical, electromechanical or electronic contrivance, component or machine used remotely or directly in connection with gaming or mobile gaming, any game, race book or sports pool that would not otherwise be classified as a gaming device, including dice, playing cards, links which connect to progressive slot machines, equipment which affects the proper 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 recordination 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]~~



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

3. *An interpretation of:*

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

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

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

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

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

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

(b) Maintain confidential records of such information.

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

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

(b) *If the registered gaming employee:*

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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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

(a) The applicable licensee; and

(b) The applicant,

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

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

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



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

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

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

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

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

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

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

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

13. Any applicant aggrieved by the decision of the Board may, 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,



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

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

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

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

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



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

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

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

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

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

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

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

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

2. The Commission may revoke the registration of a gaming employee if the Commission finds, after a hearing as provided in NRS 463.310 and 463.312 to 463.3145, inclusive, that the gaming employee has failed to disclose, misstated or otherwise misled the 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:



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

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

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

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

(1) Is directly used in gaming;

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

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

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

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

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

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

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

3. This section does not apply to:

(a) A licensee; or

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

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

5. In addition to requiring a manufacturer or distributor of associated equipment to be registered as set forth in subsections 2 and 3, any person who directly or indirectly involves himself or herself in the sale, transfer or offering for use or play in Nevada of 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.



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

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

(a) Define “hosting center.”

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

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

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

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

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

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

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

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



