

SENATE BILL NO. 73—COMMITTEE ON JUDICIARY

(ON BEHALF OF THE NEVADA GAMING CONTROL BOARD)

PREFILED NOVEMBER 20, 2018

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to gaming.  
(BDR 41-343)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to gaming; revising the definition of “gaming device” to include mobile gaming; removing or repealing certain provisions relating to mobile gaming; revising certain provisions relating to publicly traded corporations registered with the Nevada Gaming Commission; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires the Nevada Gaming Commission and the Nevada Gaming  
2 Control Board to administer state gaming licenses and manufacturer’s, seller’s and  
3 distributor’s licenses, and to reform various acts relating to the regulation and  
4 control of gaming. (NRS 463.140) Existing law authorizes the Commission, with  
5 the advice and assistance of the Board, to adopt regulations governing the operation  
6 and licensing of mobile gaming. (NRS 463.730) Existing law defines “mobile  
7 gaming” as the conduct of gambling games through communication devices  
8 operated solely within certain establishments holding a nonrestricted gaming  
9 license that permits a person to transfer information to a computer in order to place  
10 a bet or wager, and respective information related to the display of the game, game  
11 outcomes or other comparable information. (NRS 463.0176) Existing law defines  
12 “gaming device” as any object used remotely or directly in connection with  
13 gaming, or any other game that affects the results of a wager by determining win or  
14 loss but which does not qualify as associated equipment. (NRS 463.0155) **Section 2**  
15 of this bill revises the definition of “gaming device” to include mobile gaming,  
16 thereby making mobile gaming subject to the same regulation and control as a  
17 gaming device. **Sections 1.7, 3-10, 11-19 and 20** of this bill remove or repeal all  
18 provisions with individual references to mobile gaming. **Section 19.5** of this bill  
19 exempts from the amendatory provisions of **sections 5, 7, 8, 10, 18 and 19**: (1)  
20 certain persons with a nonrestricted license for a mobile gaming system or such a



21 license for the operation of a mobile gaming system; (2) certain persons who  
22 acquire a financial interest in such an operator of a mobile gaming system or the  
23 operation of such a system; or (3) a successor in interest of such a person who  
24 acquired such a financial interest. **Section 19.5** also exempts from the amendatory  
25 provisions of **section 3** of this bill employees of such an operator of a mobile  
26 gaming system described in **section 19.5**. **Section 19.5** also provides that the  
27 provisions of law repealed by **section 20** of this bill still apply to those persons or  
28 transactions described in **section 19.5**. Finally, **section 19.5** provides that persons  
29 or transactions described in **section 19.5** are not exempt from certain provisions of  
30 law.

31 Existing law requires certain persons to apply for and obtain a finding of  
32 suitability from the Nevada Gaming Commission if the person acquires, under  
33 certain circumstances: (1) beneficial ownership of any voting security of a publicly  
34 traded corporation registered with the Commission; (2) beneficial or record  
35 ownership of any nonvoting security of a publicly traded corporation registered  
36 with the Commission; or (3) beneficial or record ownership of any debt security of  
37 a publicly traded corporation registered with the Commission. (NRS 463.643)  
38 **Section 10.8** of this bill requires certain persons to notify the Chair of the Board  
39 and apply for a finding of suitability with the Commission if such a person acquires  
40 or holds a certain percentage of any class of voting securities of a publicly traded  
41 corporation registered with the Commission. **Section 10.8** also requires certain  
42 persons or plan sponsors of a pension or employee benefit plan to notify the Chair,  
43 apply for a finding of suitability with the Commission and pay a sum of money to  
44 the Board if such a person or plan sponsor obtains beneficial ownership or  
45 ownership, as applicable, in such a publicly traded corporation and the person or  
46 plan sponsor has the intent to engage in certain proscribed activities, except that  
47 certain persons who acquire less than a 10 percent beneficial ownership in such a  
48 corporation through a pension or employee benefit plan, or plan sponsors who  
49 acquire less than 10 percent ownership in such a corporation, are not subject to such  
50 notification, application and payment requirements. **Sections 1.3 and 1.5** of this bill  
51 define "pension or employee benefit plan" and "proscribed activity" for the  
52 purposes of this bill. **Sections 10.2-10.6** make conforming changes.

---

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 1.3 and 1.5 of this act.

3 **Sec. 1.3. 1.** *"Pension or employee benefit plan" means an*  
4 *employee pension or welfare benefit plan subject to the Employee*  
5 *Retirement Income Security Act of 1974 or a state or federal*  
6 *government pension plan.*

7 **2.** *The term does not include an employee pension or welfare*  
8 *benefit plan established by a publicly traded corporation that is*  
9 *registered with the Commission, unless such a pension or benefit*  
10 *plan is a multiemployer plan as defined in the Employee*  
11 *Retirement Income Security Act of 1974, 29 U.S.C. § 1002(37) or*  
12 *§ 1301(a)(3).*

13 **Sec. 1.5.** *"Proscribed activity" means:*



1 *1. An activity that necessitates a change or amendment to the*  
2 *corporate charter, bylaws, management, policies or operation of a*  
3 *publicly traded corporation that is registered with the*  
4 *Commission;*

5 *2. An activity that materially influences or affects the affairs*  
6 *of a publicly traded corporation that is registered with the*  
7 *Commission; or*

8 *3. Any other activity determined by the Commission to be*  
9 *inconsistent with holding voting securities for investment purposes*  
10 *only.*

11 **Sec. 1.7.** NRS 463.0136 is hereby amended to read as follows:

12 463.0136 "Associated equipment" means:

13 1. Any equipment or mechanical, electromechanical or  
14 electronic contrivance, component or machine used remotely or  
15 directly in connection with gaming, ~~for mobile gaming,~~ any game,  
16 race book or sports pool that would not otherwise be classified as a  
17 gaming device, including dice, playing cards, links which connect to  
18 progressive slot machines, equipment which affects the proper  
19 reporting of gross revenue, computerized systems of betting at a  
20 race book or sports pool, computerized systems for monitoring slot  
21 machines and devices for weighing or counting money; or

22 2. A computerized system for recordation of sales for use in an  
23 area subject to the tax imposed pursuant to NRS 368A.200.

24 **Sec. 2.** NRS 463.0155 is hereby amended to read as follows:

25 463.0155 "Gaming device" means any object used remotely or  
26 directly in connection with gaming or any game which affects the  
27 result of a wager by determining win or loss and which does not  
28 otherwise constitute associated equipment. The term includes,  
29 without limitation:

30 1. A slot machine.

31 2. *Mobile gaming.*

32 3. A collection of two or more of the following components:

33 (a) An assembled electronic circuit which cannot be reasonably  
34 demonstrated to have any use other than in a slot machine;

35 (b) A cabinet with electrical wiring and provisions for mounting  
36 a coin, token or currency acceptor and provisions for mounting a  
37 dispenser of coins, tokens or anything of value;

38 (c) An assembled mechanical or electromechanical display unit  
39 intended for use in gambling; or

40 (d) An assembled mechanical or electromechanical unit which  
41 cannot be demonstrated to have any use other than in a slot machine.

42 ~~3.~~ 4. Any object which may be connected to or used with a  
43 slot machine to alter the normal criteria of random selection or  
44 affect the outcome of a game.



1 ~~[4.]~~ 5. A system for the accounting or management of any  
2 game in which the result of the wager is determined electronically  
3 by using any combination of hardware or software for computers.

4 ~~[5.]~~ 6. A control program.

5 ~~[6.]~~ 7. Any combination of one of the components set forth in  
6 paragraphs (a) to (d), inclusive, of subsection ~~[2.]~~ 3 and any other  
7 component which the Commission determines by regulation to be a  
8 machine used directly or remotely in connection with gaming or any  
9 game which affects the results of a wager by determining a win or  
10 loss.

11 ~~[7.]~~ 8. Any object that has been determined to be a gaming  
12 device pursuant to regulations adopted by the Commission.

13 ~~[ ]~~

14 9. As used in this section ~~[, "control"]~~:

15 (a) "Control program" means any software, source language or  
16 executable code which affects the result of a wager by determining  
17 win or loss as determined pursuant to regulations adopted by the  
18 Commission.

19 (b) "Mobile gaming" means the conduct of gambling games  
20 through communications devices operated solely in an  
21 establishment which holds a nonrestricted gaming license and  
22 which operates at least 100 slot machines and at least one other  
23 game by the use of communications technology that allows a  
24 person to transmit information to a computer to assist in the  
25 placing of a bet or wager and corresponding information related  
26 to the display of the game, game outcomes or other similar  
27 information. For the purposes of this paragraph,  
28 "communications technology" means any method used and the  
29 components employed by an establishment to facilitate the  
30 transmission of information, including, without limitation,  
31 transmission and reception by systems based on wireless network,  
32 wireless fidelity, wire, cable, radio, microwave, light, optics or  
33 computer data networks. The term does not include the Internet.

34 **Sec. 3.** NRS 463.0157 is hereby amended to read as follows:

35 463.0157 1. "Gaming employee" means any person  
36 connected directly with an operator of a slot route, the operator of a  
37 pari-mutuel system, the operator of an inter-casino linked system or  
38 a manufacturer, distributor or disseminator, or with the operation of  
39 a gaming establishment licensed to conduct any game, 16 or more  
40 slot machines, a race book, sports pool or pari-mutuel wagering,  
41 including:

42 (a) Accounting or internal auditing personnel who are directly  
43 involved in any recordkeeping or the examination of records  
44 associated with revenue from gaming;

45 (b) Boxpersons;



- 1 (c) Cashiers;
- 2 (d) Change personnel;
- 3 (e) Counting room personnel;
- 4 (f) Dealers;
- 5 (g) Employees of a person required by NRS 464.010 to be
- 6 licensed to operate an off-track pari-mutuel system;
- 7 (h) Employees of a person required by NRS 463.430 to be
- 8 licensed to disseminate information concerning racing and
- 9 employees of an affiliate of such a person involved in assisting the
- 10 person in carrying out the duties of the person in this State;
- 11 (i) Employees whose duties are directly involved with the
- 12 manufacture, repair, sale or distribution of gaming devices,
- 13 associated equipment when the employer is required by NRS
- 14 463.650 to be licensed, cashless wagering systems ~~mobile gaming~~
- 15 ~~systems, equipment associated with mobile gaming systems~~ or
- 16 interactive gaming systems;
- 17 (j) Employees of operators of slot routes who have keys for slot
- 18 machines or who accept and transport revenue from the slot drop;
- 19 (k) Employees of operators of inter-casino linked systems ~~mobile gaming systems~~
- 20 ~~mobile gaming systems~~ or interactive gaming systems whose duties
- 21 include the operational or supervisory control of the systems or the
- 22 games that are part of the systems;
- 23 (l) Employees of operators of call centers who perform, or who
- 24 supervise the performance of, the function of receiving and
- 25 transmitting wagering instructions;
- 26 (m) Employees who have access to the Board's system of
- 27 records for the purpose of processing the registrations of gaming
- 28 employees that a licensee is required to perform pursuant to the
- 29 provisions of this chapter and any regulations adopted pursuant
- 30 thereto;
- 31 (n) Floorpersons;
- 32 (o) Hosts or other persons empowered to extend credit or
- 33 complimentary services;
- 34 (p) Keno runners;
- 35 (q) Keno writers;
- 36 (r) Machine mechanics;
- 37 (s) Odds makers and line setters;
- 38 (t) Security personnel;
- 39 (u) Shift or pit bosses;
- 40 (v) Shills;
- 41 (w) Supervisors or managers;
- 42 (x) Ticket writers;
- 43 (y) Employees of a person required by NRS 463.160 to be
- 44 licensed to operate an information service;



(z) Employees of a licensee who have local access and provide management, support, security or disaster recovery services for any hardware or software that is regulated pursuant to the provisions of this chapter and any regulations adopted pursuant thereto; and

(aa) Temporary or contract employees hired by a licensee to perform a function related to gaming.

2. "Gaming employee" does not include barbacks or bartenders whose duties do not involve gaming activities, cocktail servers or other persons engaged exclusively in preparing or serving food or beverages.

3. As used in this section, "local access" means access to hardware or software from within a licensed gaming establishment, hosting center or elsewhere within this State.

**Sec. 4.** NRS 463.01715 is hereby amended to read as follows:

463.01715 1. "Manufacture" means:

(a) To manufacture, produce, program, design, control the design of or make modifications to a gaming device, associated equipment, cashless wagering system ~~[, mobile gaming system]~~ or interactive gaming system for use or play in Nevada;

(b) To direct or control the methods and processes used to design, develop, program, assemble, produce, fabricate, compose and combine the components and other tangible objects of any gaming device, associated equipment, cashless wagering system ~~[, mobile gaming system]~~ or interactive gaming system for use or play in Nevada;

(c) To assemble, or control the assembly of, a gaming device, associated equipment, cashless wagering system ~~[, mobile gaming system]~~ or interactive gaming system for use or play in Nevada; or

(d) To assume responsibility for any action described in paragraph (a), (b) or (c).

2. As used in this section:

(a) "Assume responsibility" means to:

(1) Acquire complete control over, or ownership of, the applicable gaming device, associated equipment, cashless wagering system ~~[, mobile gaming system]~~ or interactive gaming system; and

(2) Accept continuing legal responsibility for the gaming device, associated equipment, cashless wagering system ~~[, mobile gaming system]~~ or interactive gaming system, including, without limitation, any form of manufacture performed by an affiliate or independent contractor.

(b) "Independent contractor" means, with respect to a manufacturer, any person who:

(1) Is not an employee of the manufacturer; and

(2) Pursuant to an agreement with the manufacturer, designs, develops, programs, produces or composes a control program used



1 in the manufacture of a gaming device. As used in this  
2 subparagraph, "control program" has the meaning ascribed to it in  
3 NRS 463.0155.

4 **Sec. 5.** NRS 463.0177 is hereby amended to read as follows:  
5 463.0177 "Nonrestricted license" or "nonrestricted operation"  
6 means:

7 1. A state gaming license for, or an operation consisting of, 16  
8 or more slot machines;

9 2. A license for, or operation of, any number of slot machines  
10 together with any other game, gaming device, race book or sports  
11 pool at one establishment;

12 3. A license for, or the operation of, a slot machine route; *or*

13 4. A license for, or the operation of, an inter-casino linked  
14 system. ~~}; or~~

15 ~~—5. A license for, or the operation of, a mobile gaming system.]~~

16 **Sec. 6.** NRS 463.160 is hereby amended to read as follows:

17 463.160 1. Except as otherwise provided in subsection 4 and  
18 NRS 463.172, it is unlawful for any person, either as owner, lessee  
19 or employee, whether for hire or not, either solely or in conjunction  
20 with others:

21 (a) To deal, operate, carry on, conduct, maintain or expose for  
22 play in the State of Nevada any gambling game, gaming device,  
23 inter-casino linked system, ~~[mobile gaming system,]~~ slot machine,  
24 race book or sports pool;

25 (b) To provide or maintain any information service;

26 (c) To operate a gaming salon;

27 (d) To receive, directly or indirectly, any compensation or  
28 reward or any percentage or share of the money or property played,  
29 for keeping, running or carrying on any gambling game, slot  
30 machine, gaming device, ~~[mobile gaming system,]~~ race book or  
31 sports pool;

32 (e) To operate as a cash access and wagering instrument service  
33 provider; or

34 (f) To operate, carry on, conduct, maintain or expose for play in  
35 or from the State of Nevada any interactive gaming system,

36 ↪ without having first procured, and thereafter maintaining in  
37 effect, all federal, state, county and municipal gaming licenses as  
38 required by statute, regulation or ordinance or by the governing  
39 board of any unincorporated town.

40 2. The licensure of an operator of an inter-casino linked system  
41 is not required if:

42 (a) A gaming licensee is operating an inter-casino linked system  
43 on the premises of an affiliated licensee; or

44 (b) An operator of a slot machine route is operating an inter-  
45 casino linked system consisting of slot machines only.



1 3. Except as otherwise provided in subsection 4, it is unlawful  
2 for any person knowingly to permit any gambling game, slot  
3 machine, gaming device, inter-casino linked system, ~~mobile~~  
4 ~~gaming system,~~ race book or sports pool to be conducted, operated,  
5 dealt or carried on in any house or building or other premises owned  
6 by the person, in whole or in part, by a person who is not licensed  
7 pursuant to this chapter, or that person's employee.

8 4. The Commission may, by regulation, authorize a person to  
9 own or lease gaming devices for the limited purpose of display or  
10 use in the person's private residence without procuring a state  
11 gaming license.

12 5. For the purposes of this section, the operation of a race book  
13 or sports pool includes making the premises available for any of the  
14 following purposes:

15 (a) Allowing patrons to establish an account for wagering with  
16 the race book or sports pool;

17 (b) Accepting wagers from patrons;

18 (c) Allowing patrons to place wagers;

19 (d) Paying winning wagers to patrons; or

20 (e) Allowing patrons to withdraw cash from an account for  
21 wagering or to be issued a ticket, receipt, representation of value or  
22 other credit representing a withdrawal from an account for wagering  
23 that can be redeemed for cash,

24 ↪ whether by a transaction in person at an establishment or through  
25 mechanical means, such as a kiosk or similar device, regardless of  
26 whether that device would otherwise be considered associated  
27 equipment. A separate license must be obtained for each location at  
28 which such an operation is conducted.

29 6. As used in this section, "affiliated licensee" has the meaning  
30 ascribed to it in NRS 463.430.

31 **Sec. 7.** NRS 463.1605 is hereby amended to read as follows:

32 463.1605 1. Except as otherwise provided in subsection 3,  
33 the Commission shall not approve a nonrestricted license, other than  
34 for the operation of a ~~mobile gaming system,~~ race book or sports  
35 pool at an establishment which holds a nonrestricted license to  
36 operate both gaming devices and a gambling game, for an  
37 establishment in a county whose population is 100,000 or more  
38 unless the establishment is a resort hotel.

39 2. A county, city or town may require resort hotels to meet  
40 standards in addition to those required by this chapter as a condition  
41 of issuance of a gaming license by the county, city or town.

42 3. The Commission may approve a nonrestricted license for an  
43 establishment which is not a resort hotel at a new location if:

44 (a) The establishment was acquired or displaced pursuant to a  
45 redevelopment project undertaken by an agency created pursuant to





1 chapter 279 of NRS in accordance with a final order of  
2 condemnation entered before June 17, 2005; or

3 (b) The establishment was acquired or displaced pursuant to a  
4 redevelopment project undertaken by an agency created pursuant to  
5 chapter 279 of NRS in accordance with a final order of  
6 condemnation entered on or after June 17, 2005, and the new  
7 location of the establishment is within the same redevelopment area  
8 as the former location of the establishment.

9 **Sec. 8.** NRS 463.245 is hereby amended to read as follows:

10 463.245 1. Except as otherwise provided in this section:

11 (a) All licenses issued to the same person, including a wholly  
12 owned subsidiary of that person, for the operation of any game,  
13 including a sports pool or race book, which authorize gaming at the  
14 same establishment must be merged into a single gaming license.

15 (b) A gaming license may not be issued to any person if the  
16 issuance would result in more than one licensed operation at a single  
17 establishment, whether or not the profits or revenue from gaming  
18 are shared between the licensed operations.

19 2. A person who has been issued a nonrestricted gaming  
20 license for an operation described in subsection 1 ~~or~~ **or** 2 ~~or 5~~ of  
21 NRS 463.0177 may establish a sports pool or race book on the  
22 premises of the establishment only after obtaining permission from  
23 the Commission.

24 3. A person who has been issued a license to operate a sports  
25 pool or race book at an establishment may be issued a license to  
26 operate a sports pool or race book at a second establishment  
27 described in subsection 1 or 2 of NRS 463.0177 only if the second  
28 establishment is operated by a person who has been issued a  
29 nonrestricted license for that establishment. A person who has been  
30 issued a license to operate a race book or sports pool at an  
31 establishment is prohibited from operating a race book or sports  
32 pool at:

33 (a) An establishment for which a restricted license has been  
34 granted; or

35 (b) An establishment at which only a nonrestricted license has  
36 been granted for an operation described in subsection 3 or 4 of  
37 NRS 463.0177.

38 4. A person who has been issued a license to operate a race  
39 book or sports pool shall not enter into an agreement for the sharing  
40 of revenue from the operation of the race book or sports pool with  
41 another person in consideration for the offering, placing or  
42 maintaining of a kiosk or other similar device not physically located  
43 on the licensed premises of the race book or sports pool, except:

44 (a) An affiliated licensed race book or sports pool; or



1 (b) The licensee of an establishment at which the race book or  
2 sports pool holds or obtains a license to operate pursuant to this  
3 section.

4 ↪ This subsection does not prohibit an operator of a race book or  
5 sports pool from entering into an agreement with another person for  
6 the provision of shared services relating to advertising or marketing.

7 5. Nothing in this section limits or prohibits an operator of an  
8 inter-casino linked system from placing and operating such a system  
9 on the premises of two or more gaming licensees and receiving,  
10 either directly or indirectly, any compensation or any percentage or  
11 share of the money or property played from the linked games in  
12 accordance with the provisions of this chapter and the regulations  
13 adopted by the Commission. An inter-casino linked system must not  
14 be used to link games other than slot machines, unless such games  
15 are located at an establishment that is licensed for games other than  
16 slot machines.

17 6. For the purposes of this section, the operation of a race book  
18 or sports pool includes making the premises available for any of the  
19 following purposes:

20 (a) Allowing patrons to establish an account for wagering with  
21 the race book or sports pool;

22 (b) Accepting wagers from patrons;

23 (c) Allowing patrons to place wagers;

24 (d) Paying winning wagers to patrons; or

25 (e) Allowing patrons to withdraw cash from an account for  
26 wagering or to be issued a ticket, receipt, representation of value or  
27 other credit representing a withdrawal from an account for wagering  
28 that can be redeemed for cash,

29 ↪ whether by a transaction in person at an establishment or through  
30 mechanical means such as a kiosk or other similar device, regardless  
31 of whether that device would otherwise be considered associated  
32 equipment.

33 7. The provisions of this section do not apply to a license to  
34 operate ~~[a mobile gaming system or to operate]~~ interactive gaming.

35 **Sec. 9.** NRS 463.305 is hereby amended to read as follows:

36 463.305 1. Any person who operates or maintains in this  
37 State any gaming device of a specific model, any gaming device  
38 which includes a significant modification ~~[, any mobile gaming  
39 system]~~ or any inter-casino linked system which the Board or  
40 Commission has not approved for testing or for operation is subject  
41 to disciplinary action by the Board or Commission.

42 2. The Board shall maintain a list of approved gaming devices  
43 ~~[, mobile gaming systems]~~ and inter-casino linked systems.

44 3. If the Board suspends or revokes approval of a gaming  
45 device pursuant to the regulations adopted pursuant to subsection 4,



1 ~~for suspends or revokes approval of a mobile gaming system~~  
2 ~~pursuant to the regulations adopted pursuant to NRS 463.730,] the~~  
3 Board may order the removal of the gaming device ~~for mobile~~  
4 ~~gaming system] from an establishment.~~

5 4. The Commission shall adopt regulations relating to gaming  
6 devices and their significant modification and inter-casino linked  
7 systems.

8 **Sec. 10.** NRS 463.3855 is hereby amended to read as follows:

9 463.3855 1. In addition to any other state license fees  
10 imposed by this chapter, the Commission shall, before issuing a  
11 state gaming license to an operator of a slot machine route ~~[- an~~  
12 ~~operator of a mobile gaming system]~~ or an operator of an inter-  
13 casino linked system, charge and collect an annual license fee of  
14 \$500.

15 2. Each such license must be issued for a calendar year  
16 beginning January 1 and ending December 31. If the operation of  
17 the licensee is continuing, the Commission shall charge and collect  
18 the fee on or before December 31 for the ensuing calendar year.

19 3. Except as otherwise provided in NRS 463.386, the fee to be  
20 charged and collected under this section is the full annual fee,  
21 without regard to the date of application for or issuance of the  
22 license.

23 **Sec. 10.2.** NRS 463.482 is hereby amended to read as follows:

24 463.482 As used in NRS 463.160 to 463.170, inclusive,  
25 463.368, 463.386, 463.482 to 463.645, inclusive, and 463.750,  
26 unless the context otherwise requires, the words and terms defined  
27 in NRS 463.4825 to 463.488, inclusive, *and sections 1.3 and 1.5 of*  
28 *this act* have the meanings ascribed to them in those sections.

29 **Sec. 10.4.** NRS 463.622 is hereby amended to read as follows:

30 463.622 The policy of the State of Nevada with respect to  
31 corporate *affairs, including, without limitation, corporate*  
32 *acquisitions, repurchases of securities and corporate*  
33 *recapitalizations affecting corporate licensees and publicly traded*  
34 *corporations that are affiliated companies is to:*

35 1. Assure the financial stability of corporate licensees and  
36 affiliated companies;

37 2. *Protect the continued integrity of corporate gaming in*  
38 *matters of corporate governance;*

39 3. Preserve the beneficial aspects of conducting business in the  
40 corporate form; and

41 ~~[3.]~~ 4. Promote a neutral environment for the orderly  
42 governance of corporate affairs that is consistent with the public  
43 policy of this state concerning gaming.



1       **Sec. 10.6.** NRS 463.623 is hereby amended to read as follows:  
2       463.623 **1.** The Commission ~~may~~ **shall** adopt regulations  
3 providing for the review and approval of corporate acquisitions  
4 opposed by management, repurchases of securities and corporate  
5 defense tactics affecting corporate gaming licensees and publicly  
6 traded corporations that are affiliated companies. The regulations  
7 must be consistent with:

8       ~~1-1~~ **(a)** The policy of this state as expressed in this chapter;

9       ~~1-2~~ **(b)** The provisions of this chapter;

10       ~~1-3~~ **(c)** The requirements of the Constitution of the United  
11 States; and

12       ~~1-4~~ **(d)** Federal regulation of securities.

13       **2. The regulations must include, without limitation:**

14       ***(a) Procedures by which a person, before engaging in certain***  
15 ***proscribed activities, directly or indirectly, to materially influence***  
16 ***or affect the affairs of a publicly traded corporation that is***  
17 ***registered with the Commission, must file an application for a***  
18 ***finding of suitability pursuant to NRS 463.643;***

19       ***(b) Provisions that determine which corporate activities, in***  
20 ***addition to those described in subsection 5 of NRS 463.643,***  
21 ***influence or affect the affairs of a corporation in such a way that***  
22 ***the Commission would require a person to file an application for a***  
23 ***finding of suitability pursuant to NRS 463.643; and***

24       ***(c) Provisions that ensure that a person is not unduly***  
25 ***prohibited from lawfully exercising any of his or her voting rights***  
26 ***derived from being a shareholder of a publicly traded corporation.***

27       **Sec. 10.8.** NRS 463.643 is hereby amended to read as follows:

28       463.643 **1.** Each person who acquires, directly or indirectly:

29       **(a)** Beneficial ownership of any voting security; or

30       **(b)** Beneficial or record ownership of any nonvoting security,

31       ↳ in a publicly traded corporation which is registered with the  
32 Commission may be required to be found suitable if the  
33 Commission has reason to believe that the person's acquisition of  
34 that ownership would otherwise be inconsistent with the declared  
35 policy of this state.

36       **2.** Each person who acquires, directly or indirectly, beneficial  
37 or record ownership of any debt security in a publicly traded  
38 corporation which is registered with the Commission may be  
39 required to be found suitable if the Commission has reason to  
40 believe that the person's acquisition of the debt security would  
41 otherwise be inconsistent with the declared policy of this state.

42       **3.** Each person who, individually or in association with others,  
43 acquires ~~1-1~~ **or holds**, directly or indirectly, beneficial ownership of  
44 more than 5 percent of any class of voting securities of a publicly  
45 traded corporation registered with the Nevada Gaming Commission,



1 and who is required to report, or voluntarily reports, the acquisition  
2 **or holding** to the Securities and Exchange Commission pursuant to  
3 section 13(d)(1), 13(g) or 16(a) of the Securities Exchange Act of  
4 1934, as amended, 15 U.S.C. §§ 78m(d)(1), 78m(g) and 78p(a),  
5 respectively, shall, ~~[within 10 days]~~ after filing the report and any  
6 amendment thereto with the Securities and Exchange Commission,  
7 notify the Nevada Gaming Commission **on the date specified in**  
8 **regulation by the Nevada Gaming Commission and** in the manner  
9 prescribed by the Chair of the Board that the report has been filed  
10 with the Securities and Exchange Commission.

11 4. Each person who, individually or in association with others,  
12 acquires ~~[ ]~~ **or holds**, directly or indirectly, the beneficial ownership  
13 of more than 10 percent of any class of voting securities of a  
14 publicly traded corporation registered with the Commission, or who  
15 is required to report, or voluntarily reports, such acquisition **or**  
16 **holding** pursuant to section 13(d)(1), 13(g) or 16(a) of the Securities  
17 Exchange Act of 1934, as amended, 15 U.S.C. §§ 78m(d)(1),  
18 78m(g) and 78p(a), respectively, shall apply to the Commission for  
19 a finding of suitability within 30 days after the ~~[Chair of the Board~~  
20 ~~mails the written notice.]~~ **date specified by the Commission by**  
21 **regulation.**

22 5. A person who acquires, directly or indirectly:

23 (a) Beneficial ownership of any voting security; or

24 (b) Beneficial or record ownership of any nonvoting security or  
25 debt security,

26 ↪ in a publicly traded corporation created under the laws of a  
27 foreign country which is registered with the Commission shall file  
28 such reports and is subject to such a finding of suitability as the  
29 Commission may prescribe.

30 6. **Except as otherwise provided in subsection 7, each person**  
31 **who, individually or in association with others, acquires or holds,**  
32 **directly or indirectly, the beneficial ownership of any amount of**  
33 **any class of voting securities of a publicly traded corporation**  
34 **registered with the Commission or each plan sponsor of a pension**  
35 **or employee benefit plan that acquires or holds any amount of any**  
36 **class of voting securities in such a publicly traded corporation,**  
37 **and who has the intent to engage in any proscribed activity shall:**

38 (a) **Within 2 days after possession of such intent, notify the**  
39 **Chair of the Board in the manner prescribed by the Chair;**

40 (b) **Apply to the Commission for a finding of suitability within**  
41 **30 days after notifying the Chair pursuant to paragraph (a); and**

42 (c) **Deposit with the Board the sum of money required by the**  
43 **Board pursuant to subsection 8.**

44 7. **Except as otherwise provided by the Commission, a person**  
45 **who has beneficial ownership of less than 10 percent of each class**



1 *of voting securities of a publicly traded corporation registered with*  
2 *the Commission, acquired or held by the person through a pension*  
3 *or employee benefit plan, or the plan sponsor of a pension or*  
4 *employee benefit plan that has ownership of less than 10 percent*  
5 *of each class of voting securities of such a publicly traded*  
6 *corporation, need not notify the Commission, apply for a finding*  
7 *of suitability with the Commission or deposit the required sum of*  
8 *money with the Board pursuant to subsection 6 before engaging in*  
9 *any proscribed activity.*

10 **8.** Any person required by the Commission or by this section to  
11 be found suitable shall:

12 (a) Except as otherwise required in subsection 4, apply for a  
13 finding of suitability within 30 days after the Commission requests  
14 that the person do so; and

15 (b) Together with the application, deposit with the Board a sum  
16 of money which, in the opinion of the Board, will be adequate to  
17 pay the anticipated costs and charges incurred in the investigation  
18 and processing of the application, and deposit such additional sums  
19 as are required by the Board to pay final costs and charges.

20 ~~[7.]~~ **9.** Any person required by the Commission or this section  
21 to be found suitable who is found unsuitable by the Commission  
22 shall not hold directly or indirectly the:

23 (a) Beneficial ownership of any voting security; or

24 (b) Beneficial or record ownership of any nonvoting security or  
25 debt security,

26 ↪ of a publicly traded corporation which is registered with the  
27 Commission beyond the time prescribed by the Commission.

28 ~~[8.]~~ **10.** The violation of subsection ~~[6.]~~ **8** or ~~[7.]~~ **9** is a gross  
29 misdemeanor.

30 ~~[9.]~~ **11.** As used in this section, “debt security” means any  
31 instrument generally recognized as a corporate security representing  
32 money owed and reflected as debt on the financial statement of a  
33 publicly traded corporation, including, but not limited to, bonds,  
34 notes and debentures.

35 **Sec. 11.** NRS 463.650 is hereby amended to read as follows:

36 463.650 1. Except as otherwise provided in subsections 2 to  
37 7, inclusive, it is unlawful for any person, either as owner, lessee or  
38 employee, whether for hire or not, to operate, carry on, conduct or  
39 maintain any form of manufacture, selling or distribution of any  
40 gaming device, cashless wagering system ~~[, mobile gaming system]~~  
41 or interactive gaming system for use or play in Nevada without first  
42 procuring and maintaining all required federal, state, county and  
43 municipal licenses.

44 2. A lessor who specifically acquires equipment for a capital  
45 lease is not required to be licensed under this section.



1 3. The holder of a state gaming license or the holding company  
2 of a corporation, partnership, limited partnership, limited-liability  
3 company or other business organization holding a license may,  
4 within 2 years after cessation of business or upon specific approval  
5 by the Board, dispose of by sale in a manner approved by the Board,  
6 any or all of its gaming devices, including slot machines ~~[-, mobile~~  
7 ~~gaming systems]~~ and cashless wagering systems, without a  
8 distributor's license. In cases of bankruptcy of a state gaming  
9 licensee or foreclosure of a lien by a bank or other person holding a  
10 security interest for which gaming devices are security in whole or  
11 in part for the lien, the Board may authorize the disposition of the  
12 gaming devices without requiring a distributor's license.

13 4. The Commission may, by regulation, authorize a person who  
14 owns:

15 (a) Gaming devices for home use in accordance with NRS  
16 463.160; or

17 (b) Antique gaming devices,

18 ➤ to sell such devices without procuring a license therefor to  
19 residents of jurisdictions wherein ownership of such devices is legal.

20 5. Upon approval by the Board, a gaming device owned by:

21 (a) A law enforcement agency;

22 (b) A court of law; or

23 (c) A gaming device repair school licensed by the Commission  
24 on Postsecondary Education,

25 ➤ may be disposed of by sale, in a manner approved by the Board,  
26 without a distributor's license. An application for approval must be  
27 submitted to the Board in the manner prescribed by the Chair.

28 6. A manufacturer who performs any action described in  
29 paragraph (a), (b) or (c) of subsection 1 of NRS 463.01715 is not  
30 required to be licensed under the provisions of this section with  
31 respect to the performance of that action if another manufacturer  
32 who is licensed under the provisions of this section assumes  
33 responsibility for the performance of that action.

34 7. An independent contractor who designs, develops,  
35 programs, produces or composes a control program for use in the  
36 manufacture of a gaming device that is for use or play in this State is  
37 not required to be licensed under the provisions of this section with  
38 respect to the design, development, programming, production or  
39 composition of a control program if a manufacturer who is licensed  
40 under the provisions of this section assumes responsibility for the  
41 design, development, programming, production or composition of  
42 the control program.

43 8. Any person who the Commission determines is a suitable  
44 person to receive a license under the provisions of this section may  
45 be issued a manufacturer's or distributor's license. The burden of



1 proving his or her qualification to receive or hold a license under  
2 this section is at all times on the applicant or licensee.

3 9. Every person who must be licensed pursuant to this section  
4 is subject to the provisions of NRS 463.482 to 463.645, inclusive,  
5 unless exempted from those provisions by the Commission.

6 10. The Commission may exempt, for any purpose, a  
7 manufacturer, seller or distributor from the provisions of NRS  
8 463.482 to 463.645, inclusive, if the Commission determines that  
9 the exemption is consistent with the purposes of this chapter.

10 11. Any person conducting business in Nevada who is not  
11 required to be licensed as a manufacturer, seller or distributor  
12 pursuant to subsection 1, but who otherwise must register with the  
13 Attorney General of the United States pursuant to Title 15 of U.S.C.,  
14 must submit to the Board a copy of such registration within 10 days  
15 after submission to the Attorney General of the United States.

16 12. It is unlawful for any person, either as owner, lessee or  
17 employee, whether for hire or not, to knowingly distribute any  
18 gaming device, cashless wagering system, ~~mobile gaming system,~~  
19 interactive gaming system or associated equipment from Nevada to  
20 any jurisdiction where the possession, ownership or use of any such  
21 device, system or equipment is illegal.

22 13. As used in this section:

23 (a) "Antique gaming device" means a gaming device that was  
24 manufactured before 1961.

25 (b) "Assume responsibility" has the meaning ascribed to it in  
26 NRS 463.01715.

27 (c) "Control program" has the meaning ascribed to it in  
28 NRS 463.0155.

29 (d) "Holding company" has the meaning ascribed to it in  
30 NRS 463.485.

31 (e) "Independent contractor" has the meaning ascribed to it in  
32 NRS 463.01715.

33 **Sec. 12.** NRS 463.6505 is hereby amended to read as follows:

34 463.6505 1. In addition to any other requirements set forth in  
35 this chapter, an applicant for the renewal of a license as a  
36 manufacturer, distributor or seller of gaming devices ~~for mobile~~  
37 ~~gaming systems~~ must indicate in the application submitted to the  
38 Commission whether the applicant has a state business license. If  
39 the applicant has a state business license, the applicant must include  
40 in the application the business identification number assigned by the  
41 Secretary of State upon compliance with the provisions of chapter  
42 76 of NRS.

43 2. A license as a manufacturer, distributor or seller of gaming  
44 devices ~~for mobile gaming systems~~ may not be renewed by the  
45 Commission if:





1 (a) The applicant fails to submit the information required by  
2 subsection 1; or

3 (b) The State Controller has informed the Commission pursuant  
4 to subsection 5 of NRS 353C.1965 that the applicant owes a debt to  
5 an agency that has been assigned to the State Controller for  
6 collection and the applicant has not:

7 (1) Satisfied the debt;

8 (2) Entered into an agreement for the payment of the debt  
9 pursuant to NRS 353C.130; or

10 (3) Demonstrated that the debt is not valid.

11 3. As used in this section:

12 (a) "Agency" has the meaning ascribed to it in NRS 353C.020.

13 (b) "Debt" has the meaning ascribed to it in NRS 353C.040.

14 **Sec. 13.** NRS 463.651 is hereby amended to read as follows:

15 463.651 1. A natural person who applies for the issuance or  
16 renewal of a license as a manufacturer, distributor or seller of  
17 gaming devices ~~{or mobile gaming systems}~~ shall submit to the  
18 Commission the statement prescribed by the Division of Welfare  
19 and Supportive Services of the Department of Health and Human  
20 Services pursuant to NRS 425.520. The statement must be  
21 completed and signed by the applicant.

22 2. The Commission shall include the statement required  
23 pursuant to subsection 1 in:

24 (a) The application or any other forms that must be submitted  
25 for the issuance or renewal of the license; or

26 (b) A separate form prescribed by the Commission.

27 3. A license as a manufacturer, distributor or seller of gaming  
28 devices ~~{or mobile gaming systems}~~ may not be issued or renewed  
29 by the Commission if the applicant is a natural person who:

30 (a) Fails to submit the statement required pursuant to subsection  
31 1; or

32 (b) Indicates on the statement submitted pursuant to subsection  
33 1 that the applicant is subject to a court order for the support of a  
34 child and is not in compliance with the order or a plan approved by  
35 the district attorney or other public agency enforcing the order for  
36 the repayment of the amount owed pursuant to the order.

37 4. If an applicant indicates on the statement submitted pursuant  
38 to subsection 1 that the applicant is subject to a court order for the  
39 support of a child and is not in compliance with the order or a plan  
40 approved by the district attorney or other public agency enforcing  
41 the order for the repayment of the amount owed pursuant to the  
42 order, the Commission shall advise the applicant to contact the  
43 district attorney or other public agency enforcing the order to  
44 determine the actions that the applicant may take to satisfy the  
45 arrearage.



1       **Sec. 14.** NRS 463.652 is hereby amended to read as follows:

2       463.652 1. If the Commission receives a copy of a court  
3 order issued pursuant to NRS 425.540 that provides for the  
4 suspension of all professional, occupational and recreational  
5 licenses, certificates and permits issued to a person who is the  
6 holder of a license as a manufacturer, distributor or seller of gaming  
7 devices , ~~for mobile gaming systems,~~ the Commission shall deem  
8 the license issued to that person to be suspended at the end of the  
9 30th day after the date on which the court order was issued unless  
10 the Commission receives a letter issued to the holder of the license  
11 by the district attorney or other public agency pursuant to NRS  
12 425.550 stating that the holder of the license has complied with the  
13 subpoena or warrant or has satisfied the arrearage pursuant to  
14 NRS 425.560.

15       2. The Commission shall reinstate a license as a manufacturer,  
16 distributor or seller of gaming devices ~~for mobile gaming systems~~  
17 that has been suspended by a district court pursuant to NRS 425.540  
18 if the Commission receives a letter issued by the district attorney or  
19 other public agency pursuant to NRS 425.550 to the person whose  
20 license was suspended stating that the person whose license was  
21 suspended has complied with the subpoena or warrant or has  
22 satisfied the arrearage pursuant to NRS 425.560.

23       **Sec. 15.** NRS 463.653 is hereby amended to read as follows:

24       463.653 The application of a natural person who applies for the  
25 issuance of a license as a manufacturer, distributor or seller of  
26 gaming devices ~~for mobile gaming systems~~ must include the social  
27 security number of the applicant.

28       **Sec. 16.** NRS 463.670 is hereby amended to read as follows:

29       463.670 1. The Legislature finds and declares as facts:

30       (a) That the inspection of games, gaming devices, associated  
31 equipment, cashless wagering systems, inter-casino linked systems  
32 ~~for mobile gaming systems~~ and interactive gaming systems is  
33 essential to carry out the provisions of this chapter.

34       (b) That the inspection of games, gaming devices, associated  
35 equipment, cashless wagering systems, inter-casino linked systems  
36 ~~for mobile gaming systems~~ and interactive gaming systems is greatly  
37 facilitated by the opportunity to inspect components before  
38 assembly and to examine the methods of manufacture.

39       (c) That the interest of this State in the inspection of games,  
40 gaming devices, associated equipment, cashless wagering systems,  
41 inter-casino linked systems ~~for mobile gaming systems~~ and  
42 interactive gaming systems must be balanced with the interest of  
43 this State in maintaining a competitive gaming industry in which  
44 games can be efficiently and expeditiously brought to the market.



1 2. The Commission may, with the advice and assistance of the  
2 Board, adopt and implement procedures that preserve and enhance  
3 the necessary balance between the regulatory and economic interests  
4 of this State which are critical to the vitality of the gaming industry  
5 of this State.

6 3. The Board may inspect every game or gaming device which  
7 is manufactured, sold or distributed:

8 (a) For use in this State, before the game or gaming device is put  
9 into play.

10 (b) In this State for use outside this State, before the game or  
11 gaming device is shipped out of this State.

12 4. The Board may inspect every game or gaming device which  
13 is offered for play within this State by a state gaming licensee.

14 5. The Board may inspect all associated equipment, every  
15 cashless wagering system, every inter-casino linked system ~~[, every~~  
16 ~~mobile gaming system]~~ and every interactive gaming system which  
17 is manufactured, sold or distributed for use in this State before the  
18 equipment or system is installed or used by a state gaming licensee  
19 and at any time while the state gaming licensee is using the  
20 equipment or system.

21 6. In addition to all other fees and charges imposed by this  
22 chapter, the Board may determine, charge and collect an inspection  
23 fee from each manufacturer, seller, distributor or independent  
24 testing laboratory which must not exceed the actual cost of  
25 inspection and investigation.

26 7. The Commission shall adopt regulations which:

27 (a) Provide for the registration of independent testing  
28 laboratories and of each person that owns, operates or has  
29 significant involvement with an independent testing laboratory,  
30 specify the form of the application required for such registration, set  
31 forth the qualifications required for such registration and establish  
32 the fees required for the application, the investigation of the  
33 applicant and the registration of the applicant.

34 (b) Authorize the Board to utilize independent testing  
35 laboratories for the inspection and certification of any game, gaming  
36 device, associated equipment, cashless wagering system, inter-  
37 casino linked system ~~[, mobile gaming system]~~ or interactive  
38 gaming system, or any components thereof.

39 (c) Establish uniform protocols and procedures which the Board  
40 and independent testing laboratories must follow during an  
41 inspection performed pursuant to subsection 3 or 5, and which  
42 independent testing laboratories must follow during the certification  
43 of any game, gaming device, associated equipment, cashless  
44 wagering system, inter-casino linked system ~~[, mobile gaming~~



1 ~~system~~] or interactive gaming system, or any components thereof,  
2 for use in this State or for shipment from this State.

3 (d) Allow an application for the registration of an independent  
4 testing laboratory to be granted upon the independent testing  
5 laboratory's completion of an inspection performed in compliance  
6 with the uniform protocols and procedures established pursuant to  
7 paragraph (c) and satisfaction of such other requirements that the  
8 Board may establish.

9 (e) Provide the standards and procedures for the revocation of  
10 the registration of an independent testing laboratory.

11 (f) Provide the standards and procedures relating to the filing of  
12 an application for a finding of suitability pursuant to this section and  
13 the remedies should a person be found unsuitable.

14 (g) Provide any additional provisions which the Commission  
15 deems necessary and appropriate to carry out the provisions of this  
16 section and which are consistent with the public policy of this State  
17 pursuant to NRS 463.0129.

18 8. The Commission shall retain jurisdiction over any person  
19 registered pursuant to this section and any regulation adopted  
20 thereto, in all matters relating to a game, gaming device, associated  
21 equipment, cashless wagering system, inter-casino linked system ~~[-~~  
22 ~~mobile-gaming-system]~~ or interactive gaming system, or any  
23 component thereof or modification thereto, even if the person ceases  
24 to be registered.

25 9. A person registered pursuant to this section is subject to the  
26 investigatory and disciplinary proceedings that are set forth in NRS  
27 463.310 to 463.318, inclusive, and shall be punished as provided in  
28 those sections.

29 10. The Commission may, upon recommendation of the Board,  
30 require the following persons to file an application for a finding of  
31 suitability:

32 (a) A registered independent testing laboratory.

33 (b) An employee of a registered independent testing laboratory.

34 (c) An officer, director, partner, principal, manager, member,  
35 trustee or direct or beneficial owner of a registered independent  
36 testing laboratory or any person that owns or has significant  
37 involvement with the activities of a registered independent testing  
38 laboratory.

39 11. If a person fails to submit an application for a finding of  
40 suitability within 30 days after a demand by the Commission  
41 pursuant to this section, the Commission may make a finding of  
42 unsuitability. Upon written request, such period may be extended by  
43 the Chair of the Commission, at the Chair's sole and absolute  
44 discretion.



1 12. As used in this section, unless the context otherwise  
2 requires, "independent testing laboratory" means a private  
3 laboratory that is registered by the Board to inspect and certify  
4 games, gaming devices, associated equipment, cashless wagering  
5 systems, inter-casino linked systems [~~mobile gaming systems~~] or  
6 interactive gaming systems, and any components thereof and  
7 modifications thereto, and to perform such other services as the  
8 Board and Commission may request.

9 **Sec. 17.** NRS 463.677 is hereby amended to read as follows:

10 463.677 1. The Legislature finds that:

11 (a) Technological advances have evolved which allow licensed  
12 gaming establishments to expose games, including, without  
13 limitation, system-based and system-supported games, gaming  
14 devices, [~~mobile gaming systems,~~] interactive gaming, cashless  
15 wagering systems or race books and sports pools, and to be assisted  
16 by a service provider who provides important services to the public  
17 with regard to the conduct and exposure of such games.

18 (b) To protect and promote the health, safety, morals, good  
19 order and general welfare of the inhabitants of this State, and to  
20 carry out the public policy declared in NRS 463.0129, it is necessary  
21 that the Board and Commission have the ability to license service  
22 providers by maintaining strict regulation and control of the  
23 operation of such service providers and all persons and locations  
24 associated therewith.

25 2. Except as otherwise provided in subsection 3, the  
26 Commission may, with the advice and assistance of the Board,  
27 provide by regulation for the licensing and operation of a service  
28 provider and all persons, locations and matters associated therewith.  
29 Such regulations may include, without limitation:

30 (a) Provisions requiring the service provider to meet the  
31 qualifications for licensing pursuant to NRS 463.170, in addition to  
32 any other qualifications established by the Commission, and to be  
33 licensed regardless of whether the service provider holds any other  
34 license.

35 (b) Criteria regarding the location from which the service  
36 provider conducts its operations, including, without limitation,  
37 minimum internal and operational control standards established by  
38 the Commission.

39 (c) Provisions relating to the licensing of persons owning or  
40 operating a service provider, and any persons having a significant  
41 involvement therewith, as determined by the Commission.

42 (d) A provision that a person owning, operating or having  
43 significant involvement with a service provider, as determined by  
44 the Commission, may be required by the Commission to be found



1 suitable to be associated with licensed gaming, including race book  
2 or sports pool operations.

3 (e) Additional matters which the Commission deems necessary  
4 and appropriate to carry out the provisions of this section and which  
5 are consistent with the public policy of this State pursuant to NRS  
6 463.0129, including that a service provider must be liable to the  
7 licensee on whose behalf the services are provided for the service  
8 provider's proportionate share of the fees and taxes paid by the  
9 licensee.

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

15 4. Regulations adopted by the Commission pursuant to this  
16 section must provide that the premises on which a service provider  
17 conducts its operations are subject to the power and authority of the  
18 Board and Commission pursuant to NRS 463.140, as though the  
19 premises are where gaming is conducted and the service provider is  
20 a gaming licensee.

21 5. As used in this section:

22 (a) "Interactive gaming service provider" means a person who  
23 acts on behalf of an establishment licensed to operate interactive  
24 gaming and:

25 (1) Manages, administers or controls wagers that are  
26 initiated, received or made on an interactive gaming system;

27 (2) Manages, administers or controls the games with which  
28 wagers that are initiated, received or made on an interactive gaming  
29 system are associated;

30 (3) Maintains or operates the software or hardware of an  
31 interactive gaming system; or

32 (4) Provides products, services, information or assets to an  
33 establishment licensed to operate interactive gaming and receives  
34 therefor a percentage of gaming revenue from the establishment's  
35 interactive gaming system.

36 (b) "Service provider" means a person who:

37 (1) Acts on behalf of another licensed person who conducts  
38 nonrestricted gaming operations, and who assists, manages,  
39 administers or controls wagers or games, or maintains or operates  
40 the software or hardware of games on behalf of such a licensed  
41 person, and is authorized to share in the revenue from games  
42 without being licensed to conduct gaming at an establishment;

43 (2) Is an interactive gaming service provider;

44 (3) Is a cash access and wagering instrument service  
45 provider; or



1 (4) Meets such other or additional criteria as the Commission  
2 may establish by regulation.

3 **Sec. 18.** NRS 465.070 is hereby amended to read as follows:

4 465.070 It is unlawful for any person:

5 1. To alter or misrepresent the outcome of a game or other  
6 event on which wagers have been made after the outcome is made  
7 sure but before it is revealed to the players.

8 2. To place, increase or decrease a bet or to determine the  
9 course of play after acquiring knowledge, not available to all  
10 players, of the outcome of the game or any event that affects the  
11 outcome of the game or which is the subject of the bet or to aid  
12 anyone in acquiring such knowledge for the purpose of placing,  
13 increasing or decreasing a bet or determining the course of play  
14 contingent upon that event or outcome.

15 3. To claim, collect or take, or attempt to claim, collect or take,  
16 money or anything of value in or from a gambling game, with intent  
17 to defraud, without having made a wager contingent thereon, or to  
18 claim, collect or take an amount greater than the amount won.

19 4. Knowingly to entice or induce another to go to any place  
20 where a gambling game is being conducted or operated in violation  
21 of the provisions of this chapter, with the intent that the other person  
22 play or participate in that gambling game.

23 5. To place or increase a bet after acquiring knowledge of the  
24 outcome of the game or other event which is the subject of the bet,  
25 including past-posting and pressing bets.

26 6. To reduce the amount wagered or cancel the bet after  
27 acquiring knowledge of the outcome of the game or other event  
28 which is the subject of the bet, including pinching bets.

29 7. To manipulate, with the intent to cheat, any component of a  
30 gaming device in a manner contrary to the designed and normal  
31 operational purpose for the component, including, but not limited to,  
32 varying the pull of the handle of a slot machine, with knowledge  
33 that the manipulation affects the outcome of the game or with  
34 knowledge of any event that affects the outcome of the game.

35 8. To offer, promise or give anything of value to anyone for the  
36 purpose of influencing the outcome of a race, sporting event, contest  
37 or game upon which a wager may be made, or to place, increase or  
38 decrease a wager after acquiring knowledge, not available to the  
39 general public, that anyone has been offered, promised or given  
40 anything of value for the purpose of influencing the outcome of the  
41 race, sporting event, contest or game upon which the wager is  
42 placed, increased or decreased.

43 9. To change or alter the normal outcome of any game played  
44 on an interactive gaming system ~~for a mobile gaming system~~ or the  
45 way in which the outcome is reported to any participant in the game.



1       **Sec. 19.** NRS 465.094 is hereby amended to read as follows:

2       465.094 The provisions of NRS 465.092 and 465.093 do not  
3 apply to global risk management pursuant to NRS 463.810 and  
4 463.820 or to a wager placed by a person for the person's own  
5 benefit or, without compensation, for the benefit of another that is  
6 accepted or received by, placed with, or sent, transmitted or relayed  
7 to:

8       1. A race book or sports pool that is licensed pursuant to  
9 chapter 463 of NRS, if the wager is accepted or received within this  
10 State and otherwise complies with all other applicable laws and  
11 regulations concerning wagering;

12       2. A person who is licensed to engage in off-track pari-mutuel  
13 wagering pursuant to chapter 464 of NRS, if the wager is accepted  
14 or received within this State and otherwise complies with subsection  
15 3 of NRS 464.020 and all other applicable laws and regulations  
16 concerning wagering;

17       3. ~~{A person who is licensed to operate a mobile gaming~~  
18 ~~system pursuant to chapter 463 of NRS, if the wager is accepted or~~  
19 ~~received within this State and otherwise complies with all other~~  
20 ~~applicable laws and regulations concerning wagering;~~

21       —4.} Any other person or establishment that is licensed to engage  
22 in wagering pursuant to title 41 of NRS, if the wager is accepted or  
23 received within this State and otherwise complies with all other  
24 applicable laws and regulations concerning wagering; or

25       {5.} 4. Any other person or establishment that is licensed to  
26 engage in wagering in another jurisdiction and is permitted to accept  
27 or receive a wager from patrons within this State under an  
28 agreement entered into by the Governor pursuant to NRS 463.747.

29       **Sec. 19.5.** 1. The amendatory provisions of section 3 of this  
30 act do not apply to an employee of an operator of a mobile gaming  
31 system described in subsection 2 whose duties include the  
32 operational or supervisory control of the system or the games that  
33 are part of the system.

34       2. The amendatory provisions of sections 5, 7, 8, 10, 18 and 19  
35 of this act do not apply to:

36       (a) A person who holds a nonrestricted license for a mobile  
37 gaming system or who holds such a license for the operation of a  
38 mobile gaming system that was issued on or before June 30, 2019;

39       (b) A person who before, on or after July 1, 2019, acquires a  
40 financial interest in:

41       (1) An operator of a mobile gaming system described in  
42 paragraph (a); or

43       (2) The operation of such a mobile gaming system described  
44 in paragraph (a); or





1 (c) A successor in interest to a person who acquires a financial  
2 interest described in paragraph (b).

3 3. The provisions of statute repealed by section 20 of this act  
4 continue to apply on and after July 1, 2019, to any person or  
5 transaction described in subsections 1 and 2.

6 4. The provisions of this section do not exempt a person or  
7 transaction from any provision of law relating to the licensure,  
8 registration, finding of suitability, review or approval of such a  
9 person or transaction.

10 **Sec. 20.** NRS 463.0176, 463.730 and 463.735 are hereby  
11 repealed.

12 **Sec. 21.** 1. This section and sections 1, 1.3, 1.5 and 10.2 to  
13 10.8, inclusive, of this act become effective upon passage and  
14 approval for the purpose of adopting regulations and performing any  
15 other preparatory administrative tasks to carry out the amendatory  
16 provisions of this act, and on January 1, 2020, for all other purposes.

17 2. Sections 1.7 to 10, inclusive, and 11 to 20, inclusive, of this  
18 act become effective on July 1, 2019.

---

---

## TEXT OF REPEALED SECTIONS

---

---

**463.0176 “Mobile gaming” defined.** “Mobile gaming” means the conduct of gambling games through communications devices operated solely in an establishment which holds a nonrestricted gaming license and which operates at least 100 slot machines and at least one other game by the use of communications technology that allows a person to transmit information to a computer to assist in the placing of a bet or wager and corresponding information related to the display of the game, game outcomes or other similar information. For the purposes of this section, “communications technology” means any method used and the components employed by an establishment to facilitate the transmission of information, including, without limitation, transmission and reception by systems based on wireless network, wireless fidelity, wire, cable, radio, microwave, light, optics or computer data networks. The term does not include the Internet.

**463.730 License required to operate, manufacture, sell or distribute mobile gaming system or to manufacture equipment associated with mobile gaming; powers and duties of Commission; regulations; conditions.**

1. Except as otherwise provided in subsection 2, the Commission may, with the advice and assistance of the Board,



adopt regulations governing the operation of mobile gaming and the licensing of:

- (a) An operator of a mobile gaming system;
- (b) A manufacturer, seller or distributor of a mobile gaming system; and
- (c) A manufacturer of equipment associated with mobile gaming.

2. The Commission may not adopt regulations pursuant to this section until the Commission first determines that:

- (a) Mobile gaming systems are secure and reliable, and provide reasonable assurance that players will be of lawful age and communicating only from areas of licensed gaming establishments that have been approved by the Commission for that purpose; and
- (b) Mobile gaming can be operated in a manner which complies with all applicable laws.

3. The regulations adopted by the Commission pursuant to this section must:

(a) Provide that gross revenue received by a licensed gaming establishment or the operator or the manufacturer of a mobile gaming system from the operation of mobile gaming is subject to the same license fee provisions of NRS 463.370 as the other games and gaming devices operated at the licensed gaming establishment.

(b) Provide that a mobile communications device which displays information relating to the game to a participant in the game as part of a mobile gaming system is subject to the same fees and taxes applicable to slot machines as set forth in NRS 463.375 and 463.385.

(c) Set forth standards for the security of the computer system and its location, which may be outside a licensed gaming establishment but must be within this State, and for approval of hardware and software used in connection with mobile gaming.

(d) Define "mobile gaming system," "operator of a mobile gaming system" and "equipment associated with mobile gaming" as the terms are used in this chapter.

**463.735 Enforceability of mobile gaming debts.** A debt incurred by a patron in connection with playing a mobile gaming system at a licensed gaming establishment is valid and may be enforced by legal process.





