

SENATE BILL NO. 443—COMMITTEE ON JUDICIARY

MARCH 23, 2015

Referred to Committee on Judiciary

SUMMARY—Revises provisions governing the acceptance of race book and sports pool wagers. (BDR 41-1135)

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

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

AN ACT relating to gaming; revising provisions governing the acceptance of race book and sports pool wagers; authorizing the Nevada Gaming Commission to adopt regulations governing the acceptance of race book and sports pool wagers from certain entities; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the Nevada Gaming Commission and the State Gaming
2 Control Board are required to perform various acts relating to the regulation and
3 control of gaming. (NRS 463.140) This bill authorizes certain business entities to
4 place race book and sports pool wagers under certain circumstances. This bill also
5 authorizes the Commission to adopt regulations governing the acceptance of such
6 wagers.

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

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

3 **Sec. 2.** (Deleted by amendment.)

4 **Sec. 3.** *1. A race book or sports pool may accept wagers*
5 *from a business entity if the business entity has established a*
6 *wagering account with the race book or sports pool and provided*
7 *the information required pursuant to subsection 2. The business*
8 *entity shall:*



1 (a) *Be deemed to be a patron for the purposes of this chapter*
2 *and chapter 465 of NRS.*

3 (b) *Place wagers in compliance with all applicable state and*
4 *federal laws.*

5 2. *A business entity that wishes to establish a wagering*
6 *account with a race book or sports pool shall provide to the race*
7 *book or sports pool:*

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

15 (b) *The business entity's formation documents and all filings*
16 *with the Secretary of State pursuant to title 7 of NRS;*

17 (c) *Any other documentation or information the Commission*
18 *may require; and*

19 (d) *Any other documentation or information the race book or*
20 *sports pool may require.*

21 3. *A business entity shall update the information provided*
22 *pursuant to subsection 2 within 5 business days after any change*
23 *in the information or status.*

24 4. *A business entity shall:*

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

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

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

36 5. *Notwithstanding the provisions of NRS 463.350, a race*
37 *book or sports pool may accept wagers from a designated*
38 *individual of a business entity which has established a wagering*
39 *account with the race book or sports pool.*

40 6. *A business entity and any designated individual that places*
41 *a wager with a race book or sports pool pursuant to this section*
42 *must not be considered to be engaged in the unlawful accepting or*
43 *facilitating of any bet or wager.*

44 7. *It is unlawful for any person either solely or in conjunction*
45 *with others:*



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1 (a) *To knowingly pay or distribute profits or any compensation*
2 *to a designated individual or equity owner who is not disclosed to*
3 *the race book or sports pool pursuant to subsection 2;*

4 (b) *To knowingly pay or distribute a percentage of revenue*
5 *derived from the wagering activity of a business entity to a person*
6 *who is not disclosed to the race book or sports pool pursuant to*
7 *subsection 2;*

8 (c) *To wager with money received from a person who is not*
9 *disclosed to the race book or sports pool pursuant to subsection 2;*

10 (d) *To place a wager on behalf of a person who is not disclosed*
11 *to the race book or sports pool pursuant to subsection 2; or*

12 (e) *To knowingly submit any false information as required by*
13 *this section.*

14 8. *The Commission may, with the advice and assistance of the*
15 *Board, adopt regulations as it deems necessary to carry out the*
16 *provisions of this section.*

17 9. *As used in this section:*

18 (a) *“Business entity” means an entity organized and existing*
19 *under the laws of this State.*

20 (b) *“Designated individual” means a person listed as an*
21 *officer, director, partner or manager of a business entity in the*
22 *business entity’s filings with the Secretary of State pursuant to title*
23 *7 of NRS, and any other natural person authorized by the business*
24 *entity in writing to place wagers.*

25 **Sec. 3.5.** NRS 463.360 is hereby amended to read as follows:

26 463.360 1. Conviction by a court of competent jurisdiction of
27 a person for a violation of, an attempt to violate, or a conspiracy to
28 violate any of the provisions of this chapter or of chapter 463B, 464
29 or 465 of NRS may act as an immediate revocation of all licenses
30 which have been issued to the violator, and, in addition, the court
31 may, upon application of the district attorney of the county or of the
32 Commission, order that no new or additional license under this
33 chapter be issued to the violator, or be issued to any person for the
34 room or premises in which the violation occurred, for 1 year after
35 the date of the revocation.

36 2. A person who willfully fails to report, pay or truthfully
37 account for and pay over any license fee or tax imposed by the
38 provisions of this chapter, or willfully attempts in any manner to
39 evade or defeat any such license fee, tax or payment thereof is guilty
40 of a category C felony and shall be punished as provided in NRS
41 193.130. In addition to any other penalty, the court shall order the
42 person to pay restitution.

43 3. Except as otherwise provided in subsection 4, a person who
44 willfully violates, attempts to violate, or conspires to violate any of
45 the provisions of subsection 1 of NRS 463.160 *or section 3 of this*



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1 **act** is guilty of a category B felony and shall be punished by
2 imprisonment in the state prison for a minimum term of not less
3 than 1 year and a maximum term of not more than 10 years, by a
4 fine of not more than \$50,000, or by both fine and imprisonment.

5 4. A licensee who puts additional games or slot machines into
6 play or displays additional games or slot machines in a public area
7 without first obtaining all required licenses and approval is subject
8 only to the penalties provided in NRS 463.270 and 463.310 and in
9 any applicable ordinance of the county, city or town.

10 5. A person who willfully violates any provision of a
11 regulation adopted pursuant to NRS 463.125 is guilty of a category
12 C felony and shall be punished as provided in NRS 193.130.

13 6. The violation of any of the provisions of this chapter, the
14 penalty for which is not specifically fixed in this chapter, is a gross
15 misdemeanor.

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

