

# AB 466 - 2001

**Introduced on** Mar 19, 2001

**By** Leslie, Parks, Parnell, Gibbons, Anderson, Brower, Chowning, Freeman, Giunchigliani, Humke, Smith, Tiffany, Mathews,

*Enacts provisions governing licensing and operation of interactive gaming and revises various provisions relating to gaming. (BDR 41-244)*

## **Fiscal Note**

Effect On Local Government: *Yes.*

Effect on the State: *No.*

**Most Recent History Action:** Chapter 593.

(See full bill history below)

## **J Hearings**

Assembly Judiciary Apr-11-2001 No Action  
Assembly Judiciary Apr-16-2001 Amend, and do pass as amended  
Senate Judiciary May-17-2001 No Action  
Senate Judiciary May-21-2001 Amend, and do pass as amended  
Senate Judiciary May-31-2001 Do not recede

## **Votes**

2/3 Majority  
Required

<u>Assembly Final Passage</u>	Apr-25	37 Yea , 3 Nay , 1 Excused , 1 Not Voting , 0 Absent
<u>Senate Final Passage</u>	May-26	19 Yea , 0 Nay , 2 Excused , 0 Not Voting , 0 Absent
<u>Senate Motion</u>	Jun-04	17 Yea , 4 Nay , 0 Excused , 0 Not Voting , 0 Absent

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## **Bill History**

Mar. 19, 2001 Read first time. Referred to Committee on Judiciary. To printer.

Mar. 20, 2001 From printer. To committee.

✓ Apr. 24, 2001 From committee: Amend, and do pass as amended. Placed on Second Reading File. Read second time. Amended. (Amend. No. 500). To printer.

✓ Apr. 25, 2001 From printer. To engrossment. Engrossed. First reprint. Read third time. Passed, as amended. Title approved. (Yeas: 37, Nays: 3, Excused: 1, Not voting: 1). To Senate.

Apr. 26, 2001 In Senate. Read first time. Referred to Committee on Judiciary. To committee.

May. 24, 2001 From committee: Amend, and do pass as amended.

✓ May. 25, 2001 Read second time. Amended. (Amend. No. 910). To printer.

✓ May. 26, 2001 From printer. To re-engrossment. Re-engrossed. Second reprint. Read third time. Passed, as amended. Title approved, as amended. (Yeas: 19, Nays: None, Excused: 2). To Assembly.

May. 28, 2001 In Assembly. Senate Amendment No. 910 not concurred in. To Senate.

May. 29, 2001 In Senate.

Jun. 01, 2001 Senate Amendment No. 910 not receded from. Conference requested. First Conference Committee appointed by Senate. To Assembly.

Jun. 02, 2001 In Assembly. First Conference Committee appointed by Assembly. To committee.

✓ Jun. 03, 2001 From committee: Concur in Senate Amendment No. 910 and further amend. First Conference report adopted by Assembly.

✓ Jun. 04, 2001 First Conference report adopted by Senate. To printer. From printer. To re-engrossment. Re-engrossed. Third reprint.

Jun. 07, 2001 To enrollment.

Jun. 11, 2001 Enrolled and delivered to Governor.

Jun. 14, 2001 Approved by the Governor.

Jun. 15, 2001 Chapter 593.

**Sections 28 to 32, inclusive, and section 36 effective June 14, 2001. Sections 16 and 34 effective June 14, 2001, for purposes related to the adoption and dissemination of regulations by the Nevada gaming commission and January 1, 2003, for all other purposes. Sections 1 to 12, inclusive, 14, 15, 17 to 27, inclusive, 33 and 35 effective July 1, 2001. Section 13 effective January 1, 2003.**



PREPARED BY  
RESEARCH DIVISION  
LEGISLATIVE COUNSEL BUREAU  
Nonpartisan Staff of the Nevada State Legislature

**BILL SUMMARY**  
71st REGULAR SESSION  
OF THE NEVADA STATE LEGISLATURE

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**ASSEMBLY BILL 466**  
**(Enrolled)**

**Topic**

Assembly Bill 466 relates to gaming.

**Summary**

This bill makes various changes relating to gaming. Assembly Bill 466 provides for the issuance of uniform statewide work permits for gaming employees. Further, the measure states that the fee for such a permit may not exceed the amount needed to cover the actual investigative and administrative costs related to processing the application.

The bill directs the Nevada Gaming Commission to adopt regulations to carry out the primary provisions of this act and to transmit a copy of those regulations to each county and city licensing authority that issues gaming work permits by January 1, 2003. Further, the amendatory provisions of this act apply to any work permit to work as a gaming employee that is issued by the State Gaming Control Board or a county or city licensing authority on or after January 1, 2003.

Assembly Bill 466 also expands the State's laws regarding gaming employees' labor organizations to include such organizations that seek to represent gaming casino employees or seek to perform certain significant functions in the representation of these employees in Nevada. The measure provides that no later than the date on which a labor organization that seeks to represent gaming casino employees begins an "organizational activity" directed at the employees, the organization must file information with the Board that is currently required for labor organizations representing these employees. "Organizational activity" is defined to include, without limitation: (1) soliciting membership by direct personal contact; (2) distributing cards regarding interests or representation; and (3) distributing or posting a flyer, poster, or advertisement.

Assembly Bill 466 also provides for "interactive gaming," which the act defines as "the conduct of gambling games through the use of communications technology that allows a person utilizing money, checks, electronic checks, electronic transfers of money, credit cards, debit cards, or any other instrumentality, to transmit to a computer, information to assist in the

placing of a bet or wager.” Interactive gaming does not apply to the operation of a legally operated race book or sports pool that uses approved communication technology.

This measure authorizes the Nevada Gaming Commission to adopt regulations governing the licensing and operation of interactive gaming, and makes it a category B felony to operate such gaming activities without first obtaining all appropriate licenses as may be required by the Gaming Commission.

This bill establishes application fees and license fees for an establishment to operate interactive gaming. The act further provides that a license to operate interactive gaming may be issued only to resort hotels with nonrestricted licenses in counties whose population is 400,000 or more, or in other counties only to establishments holding nonrestricted licenses and meeting certain requirements. The bill also provides for the licensure fees and regulation of manufacturers of interactive gaming systems and manufacturers of equipment associated with interactive gaming.

This bill also specifies that all gross revenue from interactive gaming received by the establishment licensed to operate interactive gaming must be attributed to the licensee and counted as part of the licensee’s gross revenue for the purpose of computing the regular license fee. In addition, a manufacturer of interactive gaming systems who is authorized by an agreement to receive a share of the revenue from an interactive gaming system is liable to the licensed establishment for a portion of the license fee. The portion for which the manufacturer is liable is 6.25 percent of the amount of revenue to which the manufacturer is entitled pursuant to the agreement.

Assembly Bill 466 also strengthens the prohibitions on illegal activity associated with fixed sporting events and interactive gaming. Further, this act revises the computation of interest payable by the Nevada Gaming Commission on the overpayment of certain fees and taxes. Lastly, the measure also broadens the requirements for applying for a finding of suitability to include persons who acquire a beneficial ownership in a publicly traded corporation registered with the Commission.

### **Effective Date**

The provisions of Assembly Bill 466 that expand the State’s laws regarding gaming employees’ labor organizations and that require the adoption and dissemination of regulations relating to work cards are effective on June 14, 2001. The remaining provisions relating to gaming work cards are effective on January 1, 2003. All other sections of the act are effective on July 1, 2001.

# **LEGISLATIVE HEARINGS**

## **MINUTES AND EXHIBITS**

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON JUDICIARY**

**Seventy-First Session  
April 11, 2001**

The Committee on Judiciary was called to order at 7:45 a.m., on Wednesday, April 11, 2001. Chairman Bernie Anderson presided in Room 3138 of the Legislative Building, Carson City, Nevada, and by videoconference to Room 4412 of the Grant Sawyer Office Building, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Guest List. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Mr. Bernie Anderson, Chairman  
Mr. Mark Manendo, Vice Chairman  
Mrs. Sharron Angle  
Mr. Greg Brower  
Ms. Barbara Buckley  
Mr. John Carpenter  
Mr. Jerry Claborn  
Mr. Tom Collins  
Mr. Don Gustavson  
Mrs. Ellen Koivisto  
Ms. Kathy McClain  
Mr. Dennis Nolan  
Mr. John Oceguela  
Ms. Genie Ohrenschall

**GUEST LEGISLATORS PRESENT:**

Assemblywoman Sheila Leslie, Assembly District 27

**STAFF MEMBERS PRESENT:**

Nicolas Anthony, Committee Policy Analyst  
Risa B. Lang, Committee Counsel  
Cindy Clampitt, Committee Secretary

Mr. Carpenter asked if the Washoe County Public Defender's Office acted as counsel for the clients committed from rural counties as well. Ms. O'Leary replied once a client was transported to the Nevada Mental Health Institute (NMHI), she provided counsel and if a client was admitted to West Hills, that facility transported the client to NMHI to meet with her.

Chairman Anderson requested members of the medical community to approach the witness table regarding the bill.

Dr. Richard W. Lewis, Nevada Certified Psychologist, testified he was one of two consulting psychologists for the NMHI and was comfortable with the current system because it provided adequate time to compile information to review. Treating staff were interviewed, adequate historical information was needed, psycho/social information was needed, as were laboratory results. The patient was interviewed and a recommendation was made to the court within 24 hours.

Dr. Lewis was concerned that if the process occurred more speedily, sufficient information would not be available to a magistrate to rule regarding very complex issues.

Chairman Anderson acknowledged individuals in Las Vegas who had indicated a desire to speak and observed, in the interest of time, that the major points of the bill in both support and opposition had already been heard. The Chair closed the hearing on A.B. 550.

Mr. Cashill stated he and Ms. O'Leary, Dr. Siegel, Ms. Pyzel, and Judge Jordan would meet at 8:30, April 12, 2001, in his office to reach a consensus and discuss amendments to the bill.

Mr. David Watts-Vial, representing the Washoe County District Attorney's Office, provided written testimony in opposition to A.B. 550 (Exhibit G), and offered to meet with the working group on the bill.

Chairman Anderson requested a document from the working group to Mr. Anthony by Friday, April 13, 2001. The Chair opened the hearing on A.B. 466 and relinquished the Chair to Vice-Chair Manendo.

**Assembly Bill 466: Provides for issuance of statewide work permits for gaming employees. (BDR 41-244)**

Assemblywoman Sheila Leslie, Assembly District 27, testified she had been working on the bill for more than one year. She had met with representatives of

the gaming workers, law enforcement, the industry, gaming regulators, and the Criminal History Repository to bring a bill that would standardize statewide issuance of work permits.

The bill was sponsored by the Nevada Alliance for Workers' Rights because the current law was 40 years old.

Ms. Leslie provided Exhibit H to committee members with a copy of NRS 463.0157 that defined gaming employees and stated that section specifically excluded bartenders and cocktail waitresses and there was no mention of maids, valets, car drivers, porters, or some other gaming related occupations. She stressed that A.B. 466 only addressed gaming work cards. Gaming work cards were currently required of gaming employees that dealt directly with gaming cash.

Ms. Leslie outlined the goals of A.B. 466.

- Standardize the work card process;
- Inspire more confidence in the system statewide;
- Reduce the cost and aggravation for gaming workers;
- Establish reciprocity allowing a worker to be investigated one time and then that person was able to change jobs within five years without another background check; and
- Establish clearer guidelines and criteria, and enhance consistency for denial of a gaming work card.

Ms. Leslie provided background of the gaming industry. Gaming was legalized in Nevada in 1931; the legislature focused on forcing organized crime out of the industry in 1949, and shifted the licensing procedure from local to state government. At that time the Nevada Tax Commission became the regulatory agency and fingerprints of gaming employees were first allowed. In 1959 the Gaming Commission replaced the Tax Commission as the regulatory agency for the industry. In 1965, work permits were first required of casino gaming employees.

Ms. Leslie related that since 1965, local jurisdictions had developed their own methods for addressing the intent of the law. Current statute provided work permits to be issued in accordance with applicable ordinances or regulations of the county or city in which the duties were performed. The Nevada Gaming Control Board must issue the permit if either the county or city of employment did not require one. In all but Clark and Washoe Counties, the county sheriff's department issued permits. In Clark County, gaming work cards were issued by the Las Vegas Metropolitan Police Department and the Police Departments of



Henderson, Mesquite, and North Las Vegas. In Washoe County, permits were issued by the Reno Police Department, the Sparks Police Department, and the Washoe County Sheriff's Office.

A survey had been taken of the 22 agencies within the state authorized to issue gaming work cards and responses were received from all but Humboldt County. The survey revealed there was very little consistency from agency to agency.

A variety of fees were being charged and some jurisdictions conducted a local "SCOPE" check on the individual to locate any arrests or convictions that would result in denial of the gaming work card. Some did both a local and state "SCOPE" check, and still others did a complete background on the individual. The cost of obtaining a gaming work card and the validity period also varied widely. In one rural county the cost of obtaining the card was \$5 and was valid for one year. In two other rural counties the cost was \$5, but was valid for a lifetime within that county. The Washoe County Sheriff's Office charged \$74 for a full background check and the card was valid for five years.

Reciprocity was not consistent. Washoe County honored the Carson City work card, but no others, even within their own county. The City of Reno only honored its own card.

The intent of A.B. 466 was to bring consistency and enhance integrity of the program while creating less aggravation for the worker. Ms. Leslie commented the committee would hear testimony from some who felt the potential cost of the background check would be too high, but that must be weighed against the benefits of standardizing the process, eliminating the need for duplicative gaming work cards, and allowing portability of work cards within the state.

Some proposed amendments would focus on providing more time for gaming regulators to develop regulations for certain criteria and Ms. Leslie concurred with that proposal.

Mr. Tom Stoneburner, Director, Northern Nevada Alliance for Workers Rights, testified the gaming work card issue had been raised at the foundation meeting of the organization. He explained the organization had a strong representation of gaming workers.

Mr. Stoneburner stated the major complaints regarding gaming work cards centered on the issue of the amount of time required to obtain the work card, get it renewed, or obtain multiple work cards. He explained multiple work cards were sometimes needed if a person held multiple positions such as a change person who was also a cab driver.

Mr. Stoneburner stated the issue gained importance when the City of Reno was reformatting their gaming work card system. The Reno reform had cut the time needed to obtain a card from sometimes half a day down to half an hour. He suggested employees of the gaming industry were aware of and accepted the fact that some kind of background search was needed and some fee for that process would be required.

Lack of consistency had been a big issue for the organization membership as well as the fact that some employees would change jobs located only a few miles apart and yet that change would require a new gaming work card. For instance, a gaming employee who worked in Sparks, Nevada, changed jobs to one in Reno, the gaming employee would need a new gaming work card. The requirement was a state requirement and thus, the state had some responsibility to ensure the consistency of the process. Mr. Stoneburner asked the committee to remember throughout discussion of the bill that there was a worker behind every gaming work card issued.

Assemblyman Collins compared issuance of gaming work cards to what it would be like if every county and city issued their own driver's license or the variances from city to city of the speed limit. He remarked the hard part would be putting the plan in place and asked if an implementation plan had been developed. Ms. Leslie replied a plan was in place and that plan would take some time to implement. She explained her hope was that A.B. 466 would be passed with the enabling legislation and enough time to allow gaming regulators to do what must be done. Regulations would be developed after public input.

Vice Chair Manendo asked what amendments were proposed to the bill. Ms. Leslie deferred to the representatives of gaming regulation.

Mr. Dennis Neilander, Chairman, State Gaming Control Board, stated the board was in favor of the bill, but there were some procedural matters that should be addressed through amendments to the bill and resulting regulations.

Mr. Neilander provided committee members with Exhibit I as an amendment to the bill. Mr. Neilander stated with a statewide gaming work card, workers could move from location to location without further background checks, reapply, pay a fee, but one protection missed in the process was that under current law, an additional check was done and sometimes, for a small percentage of people, they had been arrested, convicted, or had other issues. The amendment kept the ability to make further background checks in place. The person would not have to pay a fee, but the board would receive notification of a change of

location and have the opportunity to object if needed. That amendment pertained to Section 2, subsections 6 and 8.

In Section 2, subsection 12, the amendment gave the Gaming Control Board the ability to limit or place conditions on someone's work card. Mr. Neilander explained that need typically arose in drug-related cases where a person had a drug problem but had gone through a period of rehabilitation and the board would place a condition on their gaming work card, that they be subject to random drug testing. Current law only allowed conditioning (restricting) of a work card if the person had a conviction record. However, a person who completed all the requirements of the drug court program as a result of a conviction, could receive an unrestricted work card because the conviction was no longer reflected on their record. The other possibility was that the board would not issue a permit to a person who had completed drug court if that was revealed because the only permissible restriction occurred if a conviction was reflected in their record. The amendment would remedy that situation.

In addition to the amendments proposed in Exhibit I, there were two other language changes that the board felt were necessary and that information would be provided when the committee discussed the bill in work session. The effective date of the bill needed to provide enough time for the board to complete their rule-making process. That process would include a series of public workshops at the board level, then a recommendation would be made to the Nevada Gaming Commission, and they would conduct a series of public hearings. The implementation of the program needed to be done in a very careful manner. It was considered 1.5 years would be needed for implementation.

The final proposed amendment from the Gaming Control Board would be that the initial application for a gaming work card must be submitted in the county of residence. The issue was important because the board did not want to create a situation where people started forms shopping.

Mr. Neilander summarized the board was in support of the bill with the proposed amendments in place. Vice Chair Manendo requested final proposed language to be provided to the committee no later than April 13, 2001. Mr. Neilander concurred and stated other amendments would be proposed as well.

Chairman Anderson asked if the Gaming Control Board amendments had been shared with Assemblywoman Leslie and Mr. Stoneburner. Mr. Neilander replied affirmatively and stated to his knowledge the proposed amendments were acceptable to the sponsors of the bill.

Mr. Scott Scherer, Board Member, Gaming Control Board, stated he was present to assist with questions concerning the proposed amendments.

Captain Jim Nadeau, Washoe County Sheriff's Office, testified that in his office Debbie Campbell had worked closely with Assemblywoman Leslie. The Washoe County Sheriff's Office stood in support of A.B. 466 and the proposed amendments. He stressed it was very important that a mandated, consistent, standard of investigation statewide was needed because for one entity to accept a gaming work card issued by another entity, it must at least hold to the criteria expected within the accepting entity. Captain Nadeau expressed his opinion that the concerns had been met.

Lieutenant Stan Olsen, Las Vegas Metropolitan Police Department, and the Nevada Sheriffs' and Chiefs' Association, testified in support of the bill, the proposed amendments, and those amendments not yet heard.

He stated many meetings had been held with all parties involved with the drafting of the bill. He introduced Lieutenant Toni Weeks, Las Vegas Metropolitan Police Department and the Nevada Sheriffs' and Chiefs' Association.

Lieutenant Weeks provided committee members with three further proposed amendments to A.B. 466 (Exhibit J). She explained the Las Vegas Metropolitan Police Department and the Washoe County Sheriff's Department proposed the amendments. The proposed amendments covered the fact that if the costs to the issuing agencies were raised, the amendment would allow the cost charged by an agency to be raised as well.

Section 2, subsection 4, lines 35 through 39, of the bill was to be changed because the current practice was that local agencies submitted fingerprint cards to the repository and the repository sent them on to the FBI if needed. The amendment would retain that process.

In Section 2, subsection 7, of the bill, language would be changed to read, "Will issue a 90-day temporary work permit." Lieutenant Weeks explained if the permanent work permit was issued and some type of negative record was reported back from the FBI that would preclude the issuance of a work permit, the agency had to send a letter to the applicant revoking the card and to the employer. Sometimes the employer did not receive their copy of the letter and the applicant continued to work with a revoked gaming work card.

Lieutenant Weeks stated a temporary work card was currently issued for security guards and childcare workers, and adding the procedure to the gaming work card process would save time on everyone's behalf.

Mr. Dennis DeBacco, Program Manager, Criminal History Repository, stated he had no further comments, but was present to answer any further questions.

Ms. Jan Gilbert, representing the Progressive Leadership Alliance in Nevada, testified in support of the bill and the amendments.

Mr. Gary Peck, Director, American Civil Liberties Union of Nevada, testified from Las Vegas stating the union was in support of A.B. 466. He stated the bill appeared to clarify the distinction between privileged industries and workers working privileged jobs as opposed to workers not working in privileged jobs. He expressed some concern about conditions being imposed on persons not convicted of crimes. He noted that Mr. Neilander's comments made sense. However, it should be considered whether the person had merely been accused of some crime or whether people had been through the process and had plea-bargained or agreed to a drug court program.

Mr. Peck was confused about the need to submit the initial application for a gaming work card in the county of residence. He stated if the criteria and process were being standardized, he did not understand why the amendment was needed, although he did not oppose the amendment.

Mr. Peck stated he was pleased to note testimony that specified the process to adopt regulations for implementation of the statewide process would be public. The developed standards were critical to having a gaming work card system that was fair and met legal and constitutional standards.

Ms. Charlotte Arrowsmith, Alliance for Workers' Rights, testified from Las Vegas in support of the bill and expressed her gratitude for the sponsors of A.B. 466.

Vice Chairman Manendo closed the hearing on A.B. 466 and opened the hearing on A.B. 547.

**Assembly Bill 547: Makes various changes to provisions governing securities.  
(BDR 7-502)**

Ms. Renee Lacey, Chief Deputy, Secretary of State's Office, introduced Mr. Charles Moore, Administrator, Securities Division, Secretary of State's

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

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

(b) Boxmen;

(c) Cashiers;

(d) Change personnel;

(e) Counting room personnel;

(f) Dealers;

(g) Employees of a person required by NRS 464.010 to be licensed to operate an off-track pari-mutuel system;

(h) Employees of a person required by NRS 463.430 to be licensed to disseminate information concerning racing;

(i) Employees of manufacturers or distributors of gaming equipment within this state whose duties are directly involved with the manufacture, repair or distribution of gaming devices or cashless wagering systems;

(j) Employees of operators of slot routes who have keys for slot machines or who accept and transport revenue from the slot drop;

(k) Employees of operators of inter-casino linked systems whose duties include the operational or supervisory control of the systems or the games that are part of the systems;

(l) Floormen;

(m) Hosts or other persons empowered to extend credit or complimentary services;

(n) Keno runners;

(o) Keno writers;

(p) Machine mechanics;

(q) Odds makers and line setters;

(r) Security personnel;

(s) Shift or pit bosses;

(t) Shills;

(u) Supervisors or managers;

(v) Ticket writers; and

(w) Employees of a person required by NRS 463.160 to be licensed to operate an information service.

2. Gaming employee does not include bartenders, cocktail waitresses or other persons engaged exclusively in preparing or serving food or beverages.

**State Gaming Control Board  
Proposed Amendments to Assembly Bill 466**

Section 2, subsection 6, NRS 463.335 is hereby amended to read:

Unless **denied by the board at the time of the filing of a change of location notification**, or suspended or revoke, such a permit expires on the fifth anniversary of the permittee's birthday, measured from the birthday nearest the date of issuance or renewal. If the date of birth of a permittee is on February 29 in a leap year, for the purpose of this section, his date of birth shall be deemed to be on February 28.

Section 2, subsection 8, NRS 463.335 is hereby amended to read:

A gaming employee who is issued a work permit is eligible for employment in any licensed gaming establishment in this state until the work permit **is denied**, expires or is revoked. However, each such employee shall notify the board within 10 days following any change of his place of employment at a gaming establishment. **Such a notification shall be deemed an application in all respects to which the board may object after such investigation as it deems appropriate. The provisions of subsections 9 through 16, inclusive, shall apply to a board objection to a work permit taken upon a notification.** The commission shall adopt regulations to:

- (a) Facilitate uniform procedures for the issuance of work permits by counties and cities;
- (b) Establish uniform criteria for denial by a county or city licensing authority of an application for a work permit; 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 possesses a valid work permit.

Section 2, subsection 12, NRS 463.335 is hereby amended to read:

If the board issues or does not object to the issuance of a work permit to an applicant [~~who has been convicted of a crime which is a felony, gross misdemeanor or misdemeanor,~~] it may specially limit the period for which the permit is valid, limit the job classifications for which the holder of the permit may be employed and establish such individual conditions for the issuance, renewal and effectiveness of the permit as the board deems appropriate, including required submission to unscheduled tests for the presence of alcohol or controlled substances.

**Sec. 2 Sub Sec 2 (a) line 13 and 14: *The board shall by regulation establish a service charge for such permit, which shall cover all cost of investigative and administrative cost associated with the issuance of such permit.***

Sec. 2 Sub Sec 4- Line 35 thru 39: In conducting the investigation, the board or licensing authority shall forward a complete set of the applicants fingerprints to the central repository for Nevada records of criminal history, ***the central repository shall forward the fingerprints to the Federal Bureau of Investigation for a report concerning the criminal history of the applicant.***

Sec. 2. Sub Sec. 7 line 1-8: Whenever any person applies *to a county or city licensing authority* for issuance or renewal of a work permit, the county or city officer or employee to whom the application is made shall within 24 hours mail or deliver a copy thereof to the board, the county or city licensing authority *will issue a 90 temporary work permit*. If within 90 days after receipt by the board of the copy of the application, the board has not notified the county or city licensing authority of any objection, the authority may issue *a permanent*, renew or deny a work permit to the applicant.



**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON JUDICIARY**

**Seventy-First Session  
April 16, 2001**

The Committee on Judiciary was called to order at 8:50 a.m. on Monday, April 16, 2001. Chairman Bernie Anderson presided in Room 3138 of the Legislative Building, Carson City, Nevada. Exhibit A is the Agenda. Exhibit B is the Guest List. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Mr. Bernie Anderson, Chairman  
Mr. Mark Manendo, Vice Chairman  
Mrs. Sharron Angle  
Mr. Greg Brower  
Ms. Barbara Buckley  
Mr. John Carpenter  
Mr. Jerry Claborn  
Mr. Don Gustavson  
Mrs. Ellen Koivisto  
Ms. Kathy McClain  
Mr. Dennis Nolan  
Mr. John Ocegüera  
Ms. Genie Ohrenschall

**COMMITTEE MEMBERS ABSENT:**

Mr. Tom Collins (excused)

**GUEST LEGISLATORS PRESENT:**

Assemblywoman Sheila Leslie, District 27  
Assemblywoman Merle Berman, District 2

✓ Nicolas Anthony read the A.B. 466 summary from the work session document, volume 1 (Exhibit E).

**Assembly Bill 466: Provides for issuance of statewide work permits for gaming employees. (BDR 41-244)**

Chairman Anderson asked Dennis Neilander, Assemblywoman Leslie, Lieutenant Stan Olsen, Government Liaison, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department, Nevada Sheriffs and Chiefs Association (NSCA), and Captain Jim Nadeau, Detective Division, Legislative Liaison, Washoe County Sheriff, to approach the witness table.

Chairman Anderson reviewed the amendments, said A.B. 466 would eliminate a major problem that had existed in the state for a long time and would put Gaming Control in a better position to regulate people operating in the industry. Mr. Neilander agreed.

Chairman Anderson asked what the effect of the amendment from law enforcement would be. Lieutenant Olsen said the amendment was worded in such a way to accommodate increases in costs from the FBI or the Criminal History Repository (CHR). Ms. Lang said it would be necessary to remove the \$75 fixed fee, which would impose a fee without specifying a limit. Lieutenant Olsen clarified it was a service charge, not a fee, for hard costs to run the operation. Ms. Lang said the current language was "a fee for the permit" that included administrative and investigative costs. Assemblywoman Leslie was agreeable to a cap so that it would not be a "runaway cost"; possibly language "limited to the amount of the actual operation of the program." Lieutenant Olsen said there were hard costs applied by the Las Vegas Metro Police plus the costs from the CHR and the FBI.

Assemblywoman Buckley was uncomfortable not having a hard cap "not to exceed" an amount and wanted to be assured those people paying for the gaming cards were not paying more than was needed. Chairman Anderson clarified the bill would pertain to the actual costs and would not exceed a flat dollar amount. Captain Nadeau said Washoe County and Clark County were currently charging the same amount: \$35 administrative costs, \$24 FBI investigation and \$15 CHR investigation for a total of \$74. Assemblywoman Leslie was willing to have a cap of \$74 as originally written in the bill. Ms. Lang verified there were no other costs to be taken into consideration.

Assemblyman Gustavson was concerned that other counties did not charge as much as Washoe and Clark Counties, the level of investigative work was not the same, and there were different expiration dates allowed; was a higher burden being placed on people who might not be able to afford it? Chairman Anderson said it was not the intention to increase fees in the other counties, but it was hoped the standard of investigation would improve somewhat. Mr. Neilander agreed the standards were not uniform, A.B. 466 would mandate both the Nevada check and the FBI check.

Chairman Anderson entertained a motion to amend and do pass with the amendments as discussed.

Ms. Lang said currently the law read that a county might issue a 90-day temporary work permit and asked if the amendment would change it from a discretionary to a mandatory requirement. Lieutenant Olsen said that was to allow time to get the FBI investigation report back before a permanent permit was issued. If negative information came back, which would be a disqualifier under normal circumstances, the temporary permit would automatically expire until the person came back and addressed the issue. The intent was to allow the person to go to work without waiting the 90 days; if negative information came back, both the employer and employee would deal with it. Chairman Anderson asked what was the typical turnaround time for an application. Lieutenant Olsen said it was between 60 and 90 days; the FBI took the most time.

Assemblywoman McClain clarified that the 90-day temporary permit was mandatory. Lieutenant Olsen said the intent was to make it mandatory. Assemblywoman McClain asked what would happen if a known felon applied. Lieutenant Olsen said the applicant would automatically be denied; if there was nothing up front in Nevada records then the person would be given the temporary permit. If a person came in and it was known that the person would be disqualified, the person would be told right away. Chairman Anderson agreed with Assemblywoman McClain that the 90-day work permit "may" be issued. Ms. Lang said language was missing in the amendment and felt the original language included "the board's discretion." Assemblywoman Leslie, Mr. Neilander and Lieutenant Olsen agreed. Chairman Anderson clarified the amendment and entertained a motion to amend and do pass A.B. 466.

ASSEMBLYWOMAN OHRENSCHALL MOVED TO AMEND  
AND DO PASS A.B. 466 WITH THE AMENDMENTS AS  
DISCUSSED.

ASSEMBLYMAN NOLAN SECONDED THE MOTION.

Assemblyman Gustavson asked what the problem was that A.B. 466 was trying to solve. Chairman Anderson said in the north, gaming employees frequently had several jobs in a short period of time in Reno, Sparks, at the Lake, and in the county, etcetera; that person would be required to pay numerous application fees. Since most were low-income workers, that became an unreasonable burden. A.B. 466 would mandate a permit good statewide, but at the same time allow the local entities to carry out their function to process the permit initially.

MOTION PASSED WITH MR. GUSTAVSON VOTING NO,  
MR. COLLINS AND MS. BUCKLEY ABSENT.

Chairman Anderson asked Assemblywoman Leslie to present the bill on the Assembly floor.

Nicolas Anthony read the A.B. 296 summary from the work session document, volume 1 (Exhibit E) and noted a new amendment (Exhibit G) dated April 16, 2001, was distributed for discussion.

**Assembly Bill 296: Enacts provisions governing licensing and operation  
of interactive gaming. (BDR 41-706)**

Chairman Anderson asked Assemblywoman Berman to approach the witness table. Harvey Whittemore, Nevada Resort Association (NRA), and Robert Faiss, MGM Mirage, were also asked to come to the witness table.

Assemblywoman Berman, District 2, said two amendments came out of the original hearing dealing with small hotels in the state and asked Mr. Whittemore to discuss the amendments. Mr. Whittemore said the April 16, 2001, amendment draft included a new definition of "resort hotel" for counties whose population was between 100,000 and 400,000, and for any other counties.

Mr. Faiss said any debts arising from interactive gaming were valid and would be enforced by legal process (Section 1, subsection 8).

# ASSEMBLY COMMITTEE ON JUDICIARY WORK SESSION 4/16

## VOLUME I

Bill/ Res. No.	Description/Sponsor	Dates Heard	Opposition	Proposed Amendment (Person/Organization)
AB 27	Prohibits person or entity that supervises juvenile ordered to perform work or community service from placing juvenile on highway or other dangerous situation. (Perkins)	3/5	None	<ul style="list-style-type: none"> <li>Ben Graham (Nevada D.A.'s Assoc.)—"Oral" on highway definition &amp; dangerous situation</li> <li>Assemblyman Anderson</li> <li>Lyon County</li> <li>Churchill County</li> </ul> <p style="text-align: center;">See Green Sheets</p>
AB 448	Provides for licensing and operation of railroad gaming and makes appropriation to White Pine County for repair of trains and purchase and renovation of track. (de Braga & Carpenter)	4/4	None	<ul style="list-style-type: none"> <li>Assemblywoman de Braga—"Oral" to delete the word "purchase" on page 2, line 10</li> <li>Dennis Neilander (State Gaming Control Board)</li> </ul> <p style="text-align: center;">See Yellow Sheets</p>
AB 296	Enacts provisions governing licensing and operation of interactive gaming. (Berman et al.)	3/30	<ul style="list-style-type: none"> <li>Sam McMullen [Neutral]</li> <li>Jack Jeffrey [Neutral]</li> <li>Mr. Volasky [Neutral]</li> </ul>	<ul style="list-style-type: none"> <li>Harvey Whittemore (Nevada Resort Assoc.)</li> <li>Scott Scherer (State Gaming Control Board)</li> </ul> <p style="text-align: center;">See White Sheets</p>
AB 578	Revises various provisions relating to gaming. (Judiciary)	4/11	None	<ul style="list-style-type: none"> <li>Bob Faiss</li> <li>Assemblyman Perkins, Assemblywoman Buckley &amp; Assemblyman Anderson</li> </ul> <p style="text-align: center;">See Purple Sheets</p>
AB 466	Provides for issuance of statewide work permits for gaming employees. (Leslie et al.)	4/11	None	<ul style="list-style-type: none"> <li>State Gaming Control Board</li> <li>Washoe Sheriffs &amp; Las Vegas Metro</li> </ul> <p style="text-align: center;">See Gray Sheets</p>
AB 308	Revises provisions concerning waiver by juveniles of right to counsel. (Tiffany et al.)	3/22	<ul style="list-style-type: none"> <li>Gemma Waldron (Nevada D.A.'s Assoc.)</li> <li>Bob Teuton</li> <li>David Gibson [Neutral]</li> </ul>	<ul style="list-style-type: none"> <li>Assemblywoman Tiffany</li> </ul> <p style="text-align: center;">See Pink Sheets</p>
AB 429	Makes various changes concerning protection of children from abuse and neglect. (Hettrick)	4/10	<ul style="list-style-type: none"> <li>Steve Shaw [Neutral] (Division of Child &amp; Family Services)</li> </ul>	<ul style="list-style-type: none"> <li>Assemblyman Hettrick</li> <li>John Morrow (Washoe County Public Defender) — Wants "and" added to page 1, line 8</li> <li>Lucille Lusk (Nevada Concerned Citizens)—"When court deems is not in the best interest of the child"</li> <li>Assemblywoman Buckley</li> </ul> <p style="text-align: center;">See Ivory Sheets</p>

**State Gaming Control Board**  
**Proposed Amendments to Assembly Bill 466 ✓**

Section 1, NRS 463.335 is hereby amended to read:

463.0197 1. "Work permit" means any card, certificate or permit issued by the board or by a county or city licensing authority, whether denominated as a work permit, registration card or otherwise, authorizing the holder to be employed as a gaming employee in this state or to serve as an independent agent. A document issued by any governmental authority for any employment other than gaming is not a valid work permit for the purposes of this chapter.

2. An application for a work permit shall be filed in the municipality where the applicant resides, or if the applicant lives in an unincorporated area the application shall be filed in the county where the applicant resides.

Section 2, subsection 6, NRS 463.335 is hereby amended to read:

Unless denied by the board at the time of the filing of a change of location notification, or suspended or revoke, such a permit expires on the fifth anniversary of the permittee's birthday, measured from the birthday nearest the date of issuance or renewal. If the date of birth of a permittee is on February 29 in a leap year, for the purpose of this section, his date of birth shall be deemed to be on February 28.

Section 2, subsection 8, NRS 463.335 is hereby amended to read:

A gaming employee who is issued a work permit is eligible for employment in any licensed gaming establishment in this state until the work permit is denied, expires or is revoked. However, each such employee shall notify the board within 10 days following any change of his place of employment at a gaming establishment. Such a notification shall be deemed an application in all respects to which the board may object after such investigation as it deems appropriate. The provisions of subsections 9 through 16, inclusive, shall apply to a board objection to a work permit taken upon a notification. The commission shall adopt regulations to:

- (a) Facilitate uniform procedures for the issuance of work permits by counties and cities;
- (b) Establish uniform criteria for denial by a county or city licensing authority of an application for a work permit; 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 possesses a valid work permit.

Section 2, subsection 12, NRS 463.335 is hereby amended to read:

If the board issues or does not object to the issuance of a work permit to an applicant [~~who has been convicted of a crime which is a felony, gross misdemeanor or misdemeanor,~~] it may specially limit the period for which the permit is valid, limit the job

classifications for which the holder of the permit may be employed and establish such individual conditions for the issuance, renewal and effectiveness of the permit as the board deems appropriate, including required submission to unscheduled tests for the presence of alcohol or controlled substances.

Section 3, NRS 463.335 is hereby amended to read:

1. The Nevada gaming commission shall, on or before ~~[October 1, 2001]~~ **January 1, 2003**, adopt regulations to carry out the amendatory provisions of section 2 of this act and transmit a copy of those regulations to each county and city licensing authority that issues work permits to work as a gaming employee.

2. The amendatory provisions of this act apply to any work permit to work as a gaming employee that is issued by the state gaming control board or a county or city licensing authority on or after ~~[January 1, 2002]~~ **January 1, 2003**.

3. On or after ~~[January 1, 2002]~~ **January 1, 2003**, a county or city licensing authority is prohibited from issuing a work permit to work as a gaming employee that does not comply with the provisions of this act and the regulations adopted by the Nevada gaming commission.

4. A work permit to work as a gaming employee that was issued before ~~[January 1, 2002]~~ **January 1, 2003**, is valid until it expires or is revoked in accordance with the provisions of NRS 463.335 that remain in effect until ~~[January 1, 2002]~~ **January 1, 2003**.

Section 4, NRS 463.335 is hereby amended to read:

1. This section becomes effective upon passage and approval.

2. Sections 2 and 3 of this act become effective upon passage and approval for purposes related to the adoption and dissemination of regulations by the Nevada gaming commission and on ~~[January 1, 2002]~~ **January 1, 2003**, for all other purposes.

3. Section 1 of this act becomes effective on ~~[January 1, 2002]~~ **January 1, 2003**.

Sec. 2 Sub Sec 2 (a) line 13 and 14: ***The board shall by regulation establish a service charge for such permit, which shall cover all cost of investigative and administrative cost associated with the issuance of such permit.***

Sec. 2 Sub Sec 4- Line 35 thru 39: In conducting the investigation, the board or licensing authority shall forward a complete set of the applicants fingerprints to the central repository for Nevada records of criminal history, ***the central repository shall forward the fingerprints to the Federal Bureau of Investigation for a report concerning the criminal history of the applicant.***

Sec. 2. Sub Sec. 7 line 1-8: Whenever any person applies ***to a county or city licensing authority*** for issuance or renewal of a work permit, the county or city officer or employee to whom the application is made shall within 24 hours mail or deliver a copy thereof to the board, the county or city licensing authority ***will issue a 90 temporary work permit.*** If within 90 days after receipt by the board of the copy of the application, the board has not notified the county or city licensing authority of any objection, the authority may issue ***a permanent***, renew or deny a work permit to the applicant.



ASSEMBLY BILL NO. 466—ASSEMBLYMEN LESLIE, PARKS, PARNELL,  
GIBBONS, ANDERSON, BROWER, CHOWNING, FREEMAN,  
GIUNCHIGLIANI, HUMKE, SMITH AND TIFFANY

MARCH 19, 2001

JOINT SPONSOR: SENATOR MATHEWS

Referred to Committee on Judiciary

SUMMARY—Provides for issuance of statewide work permits for gaming employees.  
(BDR 41-244)

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

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

AN ACT relating to gaming employees; providing for the issuance of statewide work permits  
for gaming employees; establishing a maximum fee for the issuance of such a  
work permit; and providing other matters properly relating thereto.

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

- 1    **Section 1.** NRS 463.0197 is hereby amended to read as follows:  
2    463.0197 “Work permit” means any card, certificate or permit issued  
3    by the board or by a county or city licensing authority, whether  
4    denominated as a work permit, registration card or otherwise, authorizing  
5    the holder to be employed as a gaming employee *in this state* or to serve as  
6    an independent agent. A document issued by any governmental authority  
7    for any employment other than gaming is not a valid work permit for the  
8    purposes of this chapter.  
9    **Sec. 2.** NRS 463.335 is hereby amended to read as follows:  
10   463.335 1. The legislature finds that, to protect and promote the  
11   health, safety, morals, good order and general welfare of the inhabitants of  
12   the State of Nevada and to carry out the policy declared in NRS 463.0129,  
13   it is necessary that the board:  
14    (a) Ascertain and keep itself informed of the identity, prior activities  
15    and present location of all gaming employees and independent agents in  
16    the State of Nevada; and  
17    (b) Maintain confidential records of such information.



**MINUTES OF THE  
SENATE COMMITTEE ON JUDICIARY**

**Seventy-First Session  
May 17, 2001**

The Senate Committee on Judiciary was called to order by Chairman Mark A. James, at 8:30 a.m., on Thursday, May 17, 2001, in Room 2149 of the Legislative Building, Carson City, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Jon C. Porter, Vice Chairman  
Senator Mike McGinness  
Senator Maurice Washington  
Senator Dina Titus  
Senator Valerie Wiener  
Senator Terry Care

**COMMITTEE MEMBERS ABSENT:**

Senator Mark A. James, Chairman (Excused)

**GUEST LEGISLATORS PRESENT:**

Assemblyman Dennis Nolan, Clark County Assembly District No. 13  
Assemblywoman Sheila Leslie, Washoe County Assembly District No. 27

**STAFF MEMBERS PRESENT:**

Bradley A. Wilkinson, Committee Counsel  
Allison Combs, Committee Policy Analyst  
Ann Bednarski, Committee Secretary

**OTHERS PRESENT:**

Dennis DeBacco, Program Manager, Central Repository for Nevada Records of  
Criminal History, Department of Motor Vehicles and Public Safety  
Vicki N. Wright, Lobbyist, Girl Scouts of the Sierra Nevada

Mr. Chairman, or whomever you put together in a committee to take a look at this.

Vice Chairman Porter closed the hearing on A.B. 331 and opened the hearing on A.B. 466.

**ASSEMBLY BILL 466:** Provides for issuance of statewide work permits for gaming employees. (BDR 41-244)

Assemblywoman Sheila Leslie, Washoe County Assembly District No. 27, indicated she was presenting A.B. 466 on behalf of the Alliance for Workers Rights. She said she had been working on the legislation for more than a year to bring interested parties together to develop a bill that would work for everyone. She noted there are representatives present at the hearing from all parties, including gaming workers, industry, law enforcement, gaming regulators, and the central repository. Assemblywoman Leslie stated everyone has agreed it is a good idea to update the 40-year-old law regarding gaming work cards.

Continuing, Assemblywoman Leslie submitted a document containing the definition of a gaming worker (Exhibit E). She noted the statute specifically excludes bartenders and cocktail waitresses, as well as maids, porters, valets, and so forth. Assemblywoman Leslie indicated those from Clark County are familiar with the controversy surrounding the requirement of work cards for those occupations. She said A.B. 466 does not address that at all, but exclusively addresses gaming work cards as defined by the list already in statute, which are basically employees that deal directly with gaming cash.

Further, Assemblywoman Leslie stated her goals for the legislation are as follows: to standardize the work card process and inspire more confidence statewide; to reduce the cost and aggravation for gaming workers; to establish reciprocity whereby a worker can be investigated once and then be able to change jobs within a set time period, and 5 years is suggested, without undergoing another background check; and, to establish clear guidelines and criteria for denial of the gaming work card.

Assemblywoman Leslie explained, in 1965, work permits were first required of casino-gaming employees. Since 1965, the state's local jurisdictions have developed their own particular methods of carrying out the intent of the law.

She said the statutes provided that the permits are issued in accordance with ordinances or regulations of each county or city in which the duties are performed. In all counties, other than Clark or Washoe, gaming cards are issued by the county sheriff's office. Assemblywoman Leslie pointed out, in Clark County, gaming cards are issued by the Las Vegas Metropolitan Police Department (METRO) and the police departments of Henderson, Mesquite, and North Las Vegas. In Washoe County, the cards are issued by the Reno Police Department, the Sparks Police Department, and the Washoe County Sheriff's Office.

Continuing, Assemblywoman Leslie said as part of her research she did a survey of the 22 agencies that have 22 different ways of administering the program. All agencies responded to the survey, with the exception of Humboldt County. She noted the survey found there is very little uniformity in the process for issuing gaming work cards, or fees being charged. Some jurisdictions do a local scope to see whether a person is wanted or has arrests or convictions which would result in a denial. Others check locally and at state level, and some do a full background check that include local, state, and FBI.

Assemblywoman Leslie further said the cost of obtaining a gaming work card and the length of time it is valid also vary widely. In one rural county, the cost of obtaining a card is \$5 and good for 1 year. In two other rural counties, the cost is \$5 and good for a lifetime, as long as the person works in that county. Assemblywoman Leslie pointed out at the other extreme is the Washoe County Sheriff's Office, which charges \$74 for a full background check, and the card is good for 5 years. The cost varies from \$5, \$10, to \$20, and other jurisdictions charge \$45, \$49, \$50, \$52, or \$64. She said reciprocity varies as well. For example, Washoe County honors Carson City's work card, but not gaming work cards from Reno or Sparks, and the city of Reno does not honor anyone else's work card.

Assemblywoman Leslie stated the point is there is no consistency in the depth of the background check, the charge, the renewal provisions, or reciprocity, which are the things addressed in A.B. 466. She indicated the Assembly amended the bill to give gaming regulators more time to create regulations to address some of the issues, such as the criteria for denial of the gaming work card. Assemblywoman Leslie said she agrees with the gaming control board that more time is needed for it. She maintained the criteria is very important as

a worker-protection issue. She said, "We need to make sure all gaming workers across the state are treated fairly and equally."

In closing, Assemblywoman Leslie said everyone involved in negotiations has worked very hard to come up with amendments to A.B. 466 in order to address the issue. She indicated everyone is making a good-faith effort to reform the work card system to protect both workers and the industry.

Senator Porter clarified A.B. 466 requests consistency to simplify the process around the state to obtain a gaming work card. Assemblywoman Leslie said it would help workers because they would be able to possess one card and change jobs without doing repetitive background checks. She stated it would also help the industry because gaming work cards would be consistent across the state. Assemblywoman Leslie pointed out it would be win-win for everyone.

Referring to section 2, subsection 8, of A.B. 466, "However, each such employee shall notify the board within 10 days following any change of his place of employment . . . ," Senator Wiener inquired whether a firing would be an example of something deemed appropriate. Answering, Assemblywoman Leslie said the employee would be required to obtain a gaming work card every time they accept employment; however, under A.B. 466, they obtain it once and have one background check which is good for 5 years. Senator Wiener said she understood the work card would give a person mobility and flexibility to go from place to place, and it says, "each such employee shall notify the board within 10 days following any change of his place of employment at a gaming establishment . . . ," and then it says there may be an investigation if the board deems it appropriate. In reference to that, Senator Wiener asked, should a person be fired, the board may want to know the reason. Assemblywoman Leslie indicated people must provide notification when they change jobs in order to keep track of where they are, however, the 10 days' issue was requested by law enforcement in the event of a subsequent conviction within that time period. She said she did not believe there was any intent in regard to firing. Assemblywoman Leslie deferred to law enforcement to address it more specifically.

Senator Porter inquired whether A.B. 466 had consensus by most of the individuals who would be impacted. He also asked whether or not her presentation at the hearing was based upon the proposed amendments. In

other words, he queried, "Is there a lot of support for the bill?" In response, Assemblywoman Leslie said, "Yes, that is my belief."

Tom Stoneburner, Director, Alliance for Workers Rights, indicated his organization's interest in the issue emanated from complaints and concerns of people who work within the gaming industry. He said inconsistency in the law and lack of reciprocity arose continuously. He indicated everybody in the industry understands that moving from one property to another can result in expense. He noted people must stand in long lines at their local jurisdictions to obtain a work card because they have taken employment with another establishment located only a few blocks from the old one. Mr. Stoneburner indicated gaming work cards are obtained in response to a state statute, and he opined the card should be good throughout the state; however, government has not responded to the suggestion. He explained that is what brought the Alliance for Workers Rights to the hearing.

Continuing, Mr. Stoneburner indicated the Alliance for Workers Rights perused the issue and, after some examination, they discovered workers were right. He said there are issues that need to be resolved and changes that need to take place as soon as possible. He asked the committee to move A.B. 466 on because it is a good bill. He pointed out workers around the lunch table will say the legislation is needed and long overdue, and they would appreciate the Legislature's support.

Scott Scherer, Board Member, State Gaming Control Board, expressed support for A.B. 466 as currently written.

Senator Wiener asked what would be deemed appropriate for an investigation following change of a work place. Mr. Scherer responded, currently, if a person changes jobs he/she is required to obtain a new work card, including filling out a new application, going to local law enforcement, and paying a new fee. Mr. Scherer said although the State Gaming Control Board does not think all that is necessary, it does want the ability to peruse any subsequent offenses the person committed since obtaining the work card. In regard to being fired, Mr. Scherer indicated the board might wish to peruse the record should the reason for firing be for cheating or stealing from the employer. However, he said, other reasons for being fired would not give rise to an objection to a work card.

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May 17, 2001  
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Kalene Dickerson, Police Services Manager, Reno Police Department, expressed support for A.B. 466 and appreciation for Assemblywoman Leslie's efforts in addressing their concerns. She noted, one caveat is in regard to a cap on the \$75 fee, and pointed out, \$39 comes out of her jurisdiction, of which \$24 goes to the FBI, \$15 goes to Nevada Criminal Justice Information System (CJIS), and it would impact local agencies should either of them raise their fees. Ms. Dickerson said the reason they are not opposing the bill at this time is because they have instituted new technology and believe they can reduce their overhead and, hopefully, would not have to increase their fees. However, she said, the City of Reno asked for a 4 percent increase across the board on all licensing. She remarked she was able to convince them to hold off until an auditor could do a cost-based audit; therefore, she may appear before the committee in 2 years. Ms. Dickerson stated she was in favor of A.B. 466.

James F. Nadeau, Lobbyist, Captain, Washoe County Sheriff's Office, and Nevada Sheriffs and Chiefs Association, said both he and Ms. Gilbert agreed with Ms. Dickerson's testimony.

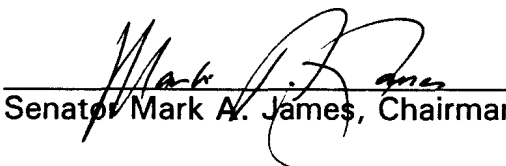
Vice Chairman Porter closed the hearing on A.B. 466.

There being no further business to come before the committee, Vice Chairman Porter adjourned the hearing at 10:44 a.m.

RESPECTFULLY SUBMITTED:

  
Barbara Moss,  
Committee Secretary

APPROVED BY:

  
Senator Mark A. James, Chairman

DATE: 9-4-01

**NRS 463.0157 "Gaming employee" defined.**

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

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

(b) Boxmen;

(c) Cashiers;

(d) Change personnel;

(e) Counting room personnel;

(f) Dealers;

(g) Employees of a person required by NRS 464.010 to be licensed to operate an off-track pari-mutuel system;

(h) Employees of a person required by NRS 463.430 to be licensed to disseminate information concerning racing;

(i) Employees of manufacturers or distributors of gaming equipment within this state whose duties are directly involved with the manufacture, repair or distribution of gaming devices or cashless wagering systems;

(j) Employees of operators of slot routes who have keys for slot machines or who accept and transport revenue from the slot drop;

(1999)

463-24

**LICENSING AND CONTROL OF GAMING**

**463.0161**

(k) Employees of operators of inter-casino linked systems whose duties include the operational or supervisory control of the systems or the games that are part of the systems;

(l) Floormen;

(m) Hosts or other persons empowered to extend credit or complimentary services;

(n) Keno runners;

(o) Keno writers;

(p) Machine mechanics;

(q) Odds makers and line setters;

(r) Security personnel;

(s) Shift or pit bosses;

(t) Shills;

(u) Supervisors or managers;

(v) Ticket writers; and

(w) Employees of a person required by NRS 463.160 to be licensed to operate an information service.

2. "Gaming employee" does not include bartenders, cocktail waitresses or other persons engaged exclusively in preparing or serving food or beverages.

(Added to NRS by 1981, 1067; A 1985, 2135; 1987, 413; 1989, 666; 1991, 1837; 1993, 308; 1995, 756; 1997, 1117, 3498)

**ATTORNEY GENERAL'S OPINIONS.**

Local governments may enlarge definition of "gaming employee" if definition does not conflict with state law. Pursuant to subsection 2 of NRS 463.335, State of Nevada and local gov-

ance of work permits to gaming employees and, therefore, local gover defining additional p (see NRS 463.0157) obtaining work permi

EXHIBIT E Senate Committee on Judiciary

Date: 5-17-01 Page 1 of 1



**MINUTES OF THE  
SENATE COMMITTEE ON JUDICIARY**

**Seventy-First Session  
May 21, 2001**

The Senate Committee on Judiciary was called to order by Chairman Mark A. James, at 9:45 a.m., on Monday, May 21, 2001, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4401, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Mark A. James, Chairman  
Senator Jon C. Porter, Vice Chairman  
Senator Mike McGinness  
Senator Maurice Washington  
Senator Dina Titus  
Senator Valerie Wiener  
Senator Terry Care

**GUEST LEGISLATORS PRESENT:**

Assemblywoman Christina (Chris) R. Giunchigliani, Clark County Assembly  
District No. 9

**STAFF MEMBERS PRESENT:**

Bradley A. Wilkinson, Committee Counsel  
Allison Combs, Committee Policy Analyst  
Heather Dion, Committee Secretary

**OTHERS PRESENT:**

Harvey Whittemore, Lobbyist, Nevada Resort Association  
Dennis K. Neilander, Chairman, State Gaming Control Board  
Scott Scherer, Member, State Gaming Control Board  
Nancy Hart, Deputy Attorney General, Civil Division, Office of the Attorney  
General  
Myra A. Sheehan, Lobbyist, President, Nevada Trial Lawyers Association

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George Wm. Treat Flint, Lobbyist, Chapel of the Bells  
Amy Harvey, Clerk, Washoe County  
Barbara Reed, Clerk/Treasurer, Douglas County  
Lucille Lusk, Lobbyist, Nevada Concerned Citizens  
Gemma Greene Waldron, Lobbyist, Washoe County District Attorney's Office  
Michael Pescetta, Concerned Citizen  
John C. Morrow, Lobbyist, Washoe County Public Defender

Chairman James opened the meeting stating he would begin with Assembly Bill (A.B.) 578 found in the work session document (Exhibit C).

**ASSEMBLY BILL 578:** Enacts provisions governing licensing and operation of interactive gaming and revises various provisions relating to gaming.(BDR 41-531)

The chairman noted a lengthy explanation to the bill dubbed, "Omnibus Gaming Legislation," followed by amendments proposed by the Nevada Gaming Control Board and the Nevada Resort Association (Exhibit C, Tab A). He invited Harvey Whittemore and Dennis Neilander to testify.

✓ Harvey Whittemore, Lobbyist, Nevada Resort Association (NRA), asked the committee to recall a previous hearing on A.B. 578 wherein the Nevada Resort Association proposed an amendment dealing with labor organizations (Exhibit D). Mr. Whittemore explained the changes in the two documents being proposed, stating he had discussions with individual members of the committee suggesting this amendment be processed as an amendment to the "work card" legislation [A.B. 466], Assemblywoman Sheila Leslie's [Assemblywoman Sheila Leslie, Washoe County Assembly District No. 27] bill, rather than the Internet gaming bill.

The changes requested involve an amendment to *Nevada Revised Statutes* (NRS) 463A.050 (Exhibit E, page 3). In the original proposed amendment there were changes suggesting the cost of an investigation be paid by the union organization that was the subject of the investigation. That language has been taken out, and the proposed amendment (Exhibit E) returns to the original law under NRS 463A.050, Mr. Whittemore said.

Chairman James asked Mr. Whittemore for the Nevada Resort Association's desired language with respect to the definition, and when this proposed process would start. Mr. Whittemore stated the Nevada Resort Association has proposed language (Exhibit D) which simply indicates the triggering mechanism as to when the filing would be required under this chapter. He explained, for purposes of this section, organizational activities shall include, without limitation, soliciting membership by means of any direct personal contact, distribution of interest or representation cards, or any public notices. Mr. Whittemore said the proposed language was provided with those two modifications by the labor counsel. The language, he said, was approved by Danny L. Thompson, Lobbyist, Nevada State American Federation of Labor - Congress of Industrial Organizations (AFL-CIO). Mr. Whittemore asked the committee to move these amendments from A.B. 578 to the "work card" legislation [A.B. 466].

Senator Care asked for an explanation of the intent of the amendment. Mr. Whittemore responded the purpose of the amendment is to trigger a process by which those unions seeking to represent gaming employees can be called forward and investigated by the State Gaming Control Board. He explained, at the initiation of these labor-organizing activities, unions have access to gaming employees, property, and a number of things. He stated there has been no change in Chapter 463A of NRS since 1975. Mr. Whittemore suggested there has been significant change in the relationships between labor and management over the years, and currently there is concern a number of union-organizing activities may involve activities the board needs to know about so Nevada Resort Association members do not get caught, as licensed employers, between appropriate versus inappropriate activities.

Senator Care said there is case law that says if the Legislature enacts this, federal law does not preempt what is being attempted here. However, playing devil's advocate, those in the state would not have to worry unless workers elected to organize. At that time, he said, the State would have an interest. Senator Care asked, "Why would the State need to do it with simple attempts?" He said he is also questioning what is meant by the word "seeks." Why would the State need to step in prior to the workers electing to organize?

Mr. Whittemore responded the possibility of bribes, for example, can occur prior to the election actually taking place. He said the activities causing employers the greatest concern and causing employees concern are those initiated at the

For those reasons, Mr. Chairman, I have to vote against the bill. I am not comfortable embracing this concept in the very short time we have had to consider it.

Senator Wiener also expressed concerns, citing attendance at numerous hearings pursuing similar legislation. She noted:

Once again, the committee is dealing with some concepts never approached before. I somewhat echo my colleague's sentiments that doing a study and setting up the system would be a more appropriate step. I am going to reserve my right to think about the bill more before voting on the floor.

Senator Titus then voiced support of A.B. 578, stating her main reason for support is Dennis Neilander is in charge. She said, "There are very few people I would trust my life to, and Dennis is one of them. I believe that if he oversees this, we can guarantee things will be put into place, so we will be ready if Internet gaming does become legal."

Chairman James added, "Dennis [Mr. Neilander] has been involved from the very beginning and has given me a good feeling about how this has been developed and how it will be administered." This bill, he said, sets up a way to license Internet gaming; the legality question of it, however, is a matter of federal law.

✓ Chairman James moved to the other gaming bill on the agenda, A.B. 466. He said the proposed amendments were on page 25 of the work session document (Exhibit C).

**ASSEMBLY BILL 466:** Provides for issuance of statewide work permits for gaming employees. (BDR 41-244)

Senator James said the amendment contained language developed by labor counsel and had been explained in some detail at a prior hearing.

Mr. Neilander announced there was another amendment he wished to suggest, one having nothing to do with the topic already discussed, but rather, technical in nature. The additional amendment would be to change the number of days within which an applicant files.

Mr. Neilander explained:

Currently, when the applicant files with the county or local jurisdiction issuing the card, there is a 24-hour period when that jurisdiction transmits the application to us [State Gaming Control Board]. From that period there is a 90-day window within which we review the application. Because of some changes you may have heard about with the central repository and some of the criminal records databases, we now cannot get information back from the FBI (Federal Bureau of Investigation) within the 90-day period. We are asking you to extend the period to 120 days. It should not prejudice the applicants because they are already working; it is just a matter of us getting those records back within the time [frame].

Scott Scherer, Member, State Gaming Control Board, added the amendment would entail, in the first reprint, changes to page 3, line 16. It would change the 90-days' reference to 120 days, making temporary work permits valid for 120 days so the applicants could continue working during that 120-day period. Then page 3, line 42, would also change the 90-day period to 120 days. Mr. Scherer said he discussed this amendment with Assemblywoman Sheila Leslie, Washoe County Assembly District No. 27, who sponsored the bill. He said Assemblywoman Leslie does not object to the amendment. Mr. Scherer added the FBI is making some changes to its computerized system. Once it is operating, he said, it would significantly speed up the turnaround. He suggested if the committee had any concerns about this it might choose to sunset this particular provision in 2 years, and have the time period go back to 90 days. He said the Gaming Control Board would be comfortable with such a provision because the FBI will have the computer system up and operating.

SENATOR MCGINNESS MOVED TO AMEND AND DO PASS A.B. 466.

SENATOR PORTER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Senator Care said he appreciated the intent of the amendment, stating:

The language of [Nevada Gaming] Regulation 19, [which] we currently have, governs this for unions and representatives. There is a 1993 case [in the] Ninth Circuit [Court of Appeals], *Hotel Employees v. Nevada Gaming Commission*. "What is required is that the statutes and regulations provide a reasonable basis for identifying the persons that have a significant impact on the gaming industry. Whether employers, employees, or collective bargaining representatives, and for applying a reporting of disclosure requirements for those persons with the objective of diminishing the threat of racketeering activity. The application of the regulations cannot place an unreasonable burden on collective bargaining representatives, or one that is unrelated to the basic objective of eliminating racketeering.

Senator Care announced he supported the amendment and the bill because the resort association has put on record the intent of the bill and it would not be used for any other purpose. He noted in a 1987 case, the Nevada Supreme Court went back and looked for legislative intent on 1975 legislation, which is currently the law. He said, "If that is the purpose of the bill, and for no other reason, and we are not trying to freeze out attempts to organize dealers or anybody else, I can support the amendment and the bill."

Mr. Whittemore reported significant and extensive discussions with Senator Care with respect to the matter of intent. He said it is not to freeze out the notion of allowing or not allowing organizing; rather, it is to make sure the state's interest in protecting the gaming industry from the influence of racketeering is maintained to the highest degree.

Mr. Wilkinson asked if the changes from 90 days to 120 days, or possibly to sunset, were going to be pursued. Chairman James responded, "No."

Chairman James introduced discussion on Assembly Bill 574, the next bill on the list (Exhibit C, page 4).

# SENATE COMMITTEE ON JUDICIARY



## WORK SESSION DOCUMENT

MAY 21, 2001

EXHIBIT C Senate Committee on Judiciary

Date: 5-21-01 Page 1 of 1

### 3. Clarify that Token is Not Legal Tender -

- a. Amend Section 4, subsection 1 to require the phrase "Gaming Token - Not Legal Tender" after "The Great Seal of the State of Nevada" on the obverse side of the token. (Page 2, line 47).
- b. In addition, amend Section 4, subsection 1 to require the reverse side to include the name of the holder of the unrestricted license.
- c. Amend Section 4, subsection (1)(a), which specifies information included on the reverse side of the token, to include the following language:

(a) A designation of the face value of the token provided that only a number may be used without a dollar sign and without the word "dollar" or any other word denoting currency or coinage.

(Scott Scherer, representing the State Gaming Control Board, noted that current regulations require a gaming token to have the dollar amount on both sides.)

- d. **Persons to Whom Gaming Tokens May be Issued** - Amend Section 4, subsection 3 to provide that the holder of a nonrestricted license may issue gaming tokens to its gaming tokens. Delete the authority to issue tokens to *members of the general public*. (Page 3, line 14)

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#### ASSEMBLY BILL 466 - Statewide Work Permits for Gaming Employees

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**Requestor:** Assemblywoman Sheila Leslie (Representatives of local law enforcement, the State Gaming Control Board, and the Progressive Leadership Alliance testified in support of the bill.)

**Hearing Date:** Thursday, May 17, 2001

Assembly Bill 466 provides for the issuance of uniform statewide work permits for gaming employees. Further, the measure states that the fee for such a permit may not exceed the amount needed to cover the actual investigative and administrative costs related to processing the application.

The bill directs the Nevada Gaming Commission to adopt regulations to carry out the primary provisions of this act, and to transmit a copy of those regulations to each county and city licensing authority that issues gaming work permits, by January 1, 2003. Further, the amendatory provisions of this act apply to any work permit to work as a gaming employee that is issued by the State Gaming Control Board or a county or city licensing authority on or after January 1, 2003.



*Proposed Amendments*

None

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**ASSEMBLY BILL 500 – Study of Racial Profiling in Traffic Stops**

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**Requestor:** Assemblyman Wendell P. Williams

**Hearing Date:** Wednesday, May 16, 2001

Assembly Bill 500 relates to racial profiling and a statistical study concerning traffic stops. This bill amends Chapter 289 of NRS to state that a peace officer shall not engage in racial profiling, which is defined as “reliance by a peace officer upon the race, ethnicity, or national origin of a person as a factor in initiating action.”

This act further directs the Office of the Attorney General to conduct a study of traffic stops by the Nevada Highway Patrol, and by local law enforcement agencies in counties whose population is 100,000 or more. To carry out the study, the Attorney General shall, based upon the recommendations of the Director of the Department of Motor Vehicles and Public Safety and the heads of the affected local law enforcement agencies, prescribe the form and manner of collecting and transmitting information regarding each traffic stop.

*Proposed Amendments*

1. **Clarification of Titles of Law Enforcement Personnel** – Amend Section 2 (page 1, line 14) of the bill to replace the phrase “city police chiefs and their deputies” with “city police chiefs and their officers”. (Proposed by William V. Bowen, Lieutenant, Reno Police Department)
2. **Authorization to Use Comparable Reporting Program** – Amend Section 2 (page 1) of the bill to clarify that a law enforcement agency cooperating in the study must be “allowed to use any similar or comparable reporting program to collect and furnish this data”. (Proposed by Lieutenant Bowen)
3. **Revision of Information to be Collected**
  - a. **Reason for the stop** – Revise Section 2, subsection 2(a) on page 2 (lines 5 and 6) as follows:
    - (a) ~~The traffic violation or infraction alleged to have been committed~~ The traffic violation, infraction, or reason that caused the driver to be stopped.

**MINUTES OF THE  
SENATE COMMITTEE ON JUDICIARY**

**Seventy-First Session  
May 31, 2001**

The Senate Committee on Judiciary was called to order by Chairman Mark A. James at 2:51 p.m. on Thursday, May 31, 2001, on the Senate Floor of the Legislative Building, Carson City, Nevada. There was no Agenda. There was no Attendance Roster.

**COMMITTEE MEMBERS PRESENT:**

Senator Mark A. James, Chairman  
Senator Jon C. Porter, Vice Chairman  
Senator Mike McGinness  
Senator Maurice Washington  
Senator Dina Titus  
Senator Valerie Wiener  
Senator Terry Care

**STAFF MEMBERS PRESENT:**

Bradley A. Wilkinson, Committee Counsel  
Allison Combs, Committee Policy Analyst  
Heather Dion, Committee Secretary

Senator James said the committee had seven bills to discuss, beginning with Assembly Bill (A.B.) 466.

**ASSEMBLY BILL 466:** Provides for issuance of statewide work permits for gaming employees and revises various provisions governing labor organizations for gaming employees. (BDR 41-244)

SENATOR MCGINNESS MOVED TO NOT RECEDE FROM AMENDMENT NO. 910 TO A.B. 466.

SENATOR WASHINGTON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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## **FLOOR ACTIONS**

**AMENDMENTS ON SECOND READING**

**FLOOR VOTES AND STATEMENTS**

**OTHER ACTIONS**

Amend sec. 6, page 4, line 24, by deleting: "to 278.4981, inclusive;" and inserting: "~~{to 278.4981, inclusive;}~~, 278.498 and 278.4981;"

Amend sec. 7, page 4, line 39, by deleting: "to 278.4981, inclusive," and inserting: "~~{to 278.4981, inclusive;}~~, 278.498 and 278.4981".

Amend sec. 7, page 4, line 43, after "construction" by inserting "project".

Amend the title of the bill to read as follows:

"AN ACT relating to local governments; authorizing certain local governments to impose a tax on nonresidential construction projects or require the dedication of certain land for regional parks; and providing other matters properly relating thereto."

Amend the summary of the bill to read as follows:

"Summary—Authorizes certain local governments to impose tax on non-residential construction projects or require dedication of certain land for regional parks. (BDR 22-72)".

Assemblyman Bache moved the adoption of the amendment.

Remarks by Assemblyman Bache.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

#### Assembly Bill No. 466.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:  
Amendment No. 500.

Amend sec. 2, page 2, line 11, after "authority." by inserting: "*An applicant for a work permit shall file his application for a work permit with the licensing authority of the city in which he resides if that city requires a work permit. If the city in which he resides does not require such a permit, the applicant shall file his application with the licensing authority of the county in which he resides if that county requires a work permit. If the county in which he resides does not require such a permit, the applicant shall file his application with the board.*".

Amend sec. 2, page 2, by deleting line 13 and inserting: "*for such a permit may be charged only to cover the actual investigative and administrative costs related to processing an application for such a permit and*".

Amend sec. 2, page 2, line 37, by deleting "and" and inserting "for submission".

Amend sec. 2, page 2, line 45, after "Unless" by inserting: "*denied or objected to by the board at the time that the permittee filed a notice of a change in his place of employment pursuant to subsection 8 and unless*".

Amend sec. 2, page 3, line 5, by deleting "permit." and inserting: "permit ~~{}~~ that is valid for 90 days."

Amend sec. 2, page 3, line 8, before "work" by inserting "permanent".

Amend sec. 2, page 3, line 16, after "permit" by inserting: "*is denied or objected to by the board,*".

Amend sec. 2, page 3, line 18, after "establishment." by inserting: "*Such a notification shall be deemed an application for a work permit that the board may deny or object to after conducting any investigations the board deems appropriate. The provisions of subsections 9 to 16, inclusive, apply to any such objection of the board.*".

Amend sec. 2, page 4, by deleting lines 34 and 35 and inserting: "applicant, ~~[who has been convicted of a crime which is a felony, gross misdemeanor or misdemeanor]~~ it may specially limit the period for which".

Amend sec. 3, page 5, line 40, by deleting: "October 1, 2001," and inserting: "January 1, 2003,".

Amend sec. 3, page 5, lines 46 and 47, by deleting "2002." and inserting "2003.".

Amend sec. 3, page 6, line 4, by deleting "2002," and inserting "2003,".

Amend sec. 3, page 6, line 5, by deleting "2002." and inserting "2003.".

Amend sec. 4, page 6, line 10, by deleting "2002," and inserting "2003,".

Amend sec. 4, page 6, line 12, by deleting "2002." and inserting "2003.".

Assemblyman Anderson moved the adoption of the amendment.

Remarks by Assemblyman Anderson.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 468.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources, Agriculture, and Mining:

Amendment No. 364.

Amend section 1, page 1, by deleting lines 2 and 3 and inserting:

"533.438 1. ~~[If an application or applications]~~ Except as otherwise provided in subsection 4, if an appropriation of ground water pursuant to a permit to appropriate ground water ~~[would result]~~ results in".

Amend section 1, page 1, line 5, by deleting "to be" and inserting "~~to be~~".

Amend section 1, pages 1 and 2, by deleting lines 10 through 17 on page 1 and line 1 on page 2, and inserting: "shall notify the state engineer in writing of its intent to impose the tax. The state engineer shall review the notice of intent to impose the tax to determine:

(a) Whether the appropriation of ground water pursuant to the permit specified in subsection 1 results in a transfer to and beneficial use of water in a county in this state other than the county of origin or in another state; and

(b) The amount of water, if any, that is:

(1) Subject to the proposed tax because of that transfer and beneficial use; or

(2) Not subject to the proposed tax pursuant to subsection 4.

3. Within 30 days after reviewing the notice of intent to impose the tax, the state engineer".

Amend section 1, page 2, line 2, after "send" by inserting "a".

Amend section 1, page 2, by deleting line 4 and inserting: "ground water pursuant to the permit results in a transfer to and beneficial use of water in a county in this state".

Amend section 1, page 2, line 6, by deleting "will be" and inserting "is".

Amend section 1, page 2, by deleting lines 10 and 11 and inserting: "appropriated and beneficially used pursuant to a permit to appropriate ground water which is issued for a point of diversion and a place of benefi-

*cial use in the county of origin and which, after the water is diverted and beneficially used, is discharged or migrates into a".*

Assemblyman de Braga moved the adoption of the amendment.

Remarks by Assemblyman de Braga.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 488.

Bill read second time.

The following amendment was proposed by the Committee on Health and Human Services:

Amendment No. 385.

Amend the bill as a whole by renumbering sections 1 through 6 as sections 2 through 7 and adding a new section designated section 1, following the enacting clause, to read as follows:

"Section 1. Chapter 450B of NRS is hereby amended by adding thereto a new section to read as follows:

1. *Except as otherwise provided in subsection 2, no permit may be issued pursuant to this chapter authorizing a fire-fighting agency to provide intermediate or advanced medical care to sick or injured persons while transporting those persons to a medical facility.*

2. *Except as otherwise provided in subsection 9 of NRS 450B.200, the county or district board of health in a county whose population is 400,000 or more may issue a permit pursuant to NRS 450B.200 or 450B.210 authorizing a fire-fighting agency to provide intermediate or advanced medical care to sick or injured persons at the scene of an emergency and while transporting those persons to a medical facility."*

Amend section 1, page 1, lines 2 and 3, by deleting: "*, including, without limitation, a vehicle of a fire-fighting agency,*".

Amend section 1, page 1, line 8, by deleting "transfer." and inserting: "transfer ~~{-}~~ , *including, without limitation, such a vehicle of a fire-fighting agency.*".

Amend sec. 2, pages 1 and 2, by deleting lines 12 through 14 on page 1 and lines 1 and 2 on page 2, and inserting: "permit ~~{authorizing it to provide intermediate or advanced medical care to sick or injured persons at the scene of an emergency. This }~~ issued pursuant to this chapter. The term does not include a person or governmental entity , *other than a governmental entity to whom a permit is issued in accordance with the provisions of section 1 of this act, which provides transportation of {those} sick or injured persons to a medical facility.*".

Amend sec. 3, page 2, by deleting line 9 and inserting: "care ~~{at}~~ *to sick or injured persons:*

(a) *At the scene of an emergency ~~{-}~~ ; or*

(b) *At the scene of an emergency and while".*

Amend sec. 6, page 2, line 36, after "except" by inserting: "*as otherwise provided in subsection 5 or*".

Amend sec. 6, page 2, by deleting lines 47 through 49 and inserting: "~~{at}~~ *to sick or injured persons:*

Potential conflict of interest by Assemblyman Ocegüera.

Roll call on Assembly Bill No. 458:

YEAS—41.

NAYS—None.

Excused—Freeman.

Assembly Bill No. 458 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 462.

Bill read third time.

Remarks by Assemblymen Collins and Beers.

Roll call on Assembly Bill No. 462:

YEAS—39.

NAYS—Angle, Gustavson—2.

Excused—Freeman.

Assembly Bill No. 462 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 466.

Bill read third time.

Remarks by Assemblymen Leslie and Gustavson.

Roll call on Assembly Bill No. 466:

YEAS—37.

NAYS—Buckley, Gibbons, Gustavson—3.

Not Voting—Dini.

Excused—Freeman.

Assembly Bill No. 466 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 468.

Bill read third time.

Remarks by Assemblymen Beers and Buckley.

Assemblyman Dini moved that Assembly Bill No. 468 be taken from the General File and placed on the Chief Clerk's desk.

Remarks by Assemblyman Dini.

Motion carried.

Assembly Bill No. 488.

Bill read third time.

Roll call on Assembly Bill No. 488:

YEAS—40.

NAYS—None.

Not Voting—Ocegüera.

Excused—Freeman.

Assembly Bill No. 488 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 491.

Bill read third time.

diverse group of patients upon which the school may base its educational programs.

3. The University of Nevada School of Medicine may establish a non-profit organization to assist in any research necessary for the development of a Medicaid managed care program, receive and accept gifts, grants and donations to support such a program and assist in establishing educational services about the program for recipients of Medicaid.

4. For the ~~purposes~~ purpose of contracting with a Medicaid managed care program pursuant to this section ~~[-]~~, a health maintenance organization is exempt from the provisions of section 8 of this act.

5. As used in this section, unless the context otherwise requires:

(a) "Federally-qualified health center" has the meaning ascribed to it in 42 U.S.C. § 1396d(l)(2)(B).

(b) "Health maintenance organization" has the meaning ascribed to it in NRS 695C.030."

Amend sec. 13, page 6, line 46, by deleting: "July 1, 2001." and inserting: "January 1, 2002."

Amend sec. 14, page 7, line 2, by deleting: "July 1, 2001." and inserting: "January 1, 2002."

Senator Townsend moved the adoption of the amendment.

Remarks by Senator Townsend.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 465.

Bill read second time and ordered to third reading.

Assembly Bill No. 466.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:  
Amendment No. 910.

Amend sec. 2, page 3, line 16, by deleting: "90 days. If within 90" and inserting: "120 days. If within ~~90~~ 120".

Amend sec. 2, page 3, line 42, by deleting "90-day" and inserting "~~90-day~~ 120-day".

Amend the bill as a whole by renumbering sections 3 and 4 as sections 8 and 9 and adding new sections designated sections 3 through 7, following sec. 2, to read as follows:

"Sec. 3. NRS 463A.010 is hereby amended to read as follows:

463A.010 The legislature finds and declares that:

1. The relationship which exists between a labor organization and the employees whom it represents *or seeks to represent* in collective bargaining is such that it may significantly affect the conduct of a gaming operation by an employer.

2. In the past, attempts have been made by persons whose background is not suitable for association with licensed gaming to gain positions of control in labor organizations representing *or seeking to represent* gaming casino employees in this state.



3. In order to carry out the declared policy of this state that licensed gaming be conducted freely and honestly, and in order to protect the welfare of the employees of the gaming industry which is fundamental to the economy of this state, it is necessary to determine the suitability of any person who performs *or seeks to perform* certain significant functions in the representation of gaming casino employees in this state.

Sec. 4. NRS 463A.020 is hereby amended to read as follows:

463A.020 As used in this chapter:

1. "Board" means the state gaming control board.
2. "Commission" means the Nevada gaming commission.
3. "Gaming casino employee" means any person employed directly or indirectly in the operation of a gaming establishment under a nonrestricted license, including:

(a) All personnel involved in the operation of a casino gaming pit, such as dealers, shills, clerks, hosts, junket representatives and the supervisors of such persons;

(b) All personnel involved in handling money, such as cashiers, change persons, count teams, coin wrappers and the supervisors of such persons;

(c) All personnel involved in the operation of games, such as bingo and keno;

(d) All personnel involved in operating and maintaining slot machines, such as mechanics, floormen, change and payoff persons and the supervisors of such persons;

(e) All personnel involved in security, such as guards, games observers and the supervisors of such persons;

(f) All personnel involved in the operation of a race or sports book, such as writers, boardmen, cashiers and the supervisors of such persons;

(g) All personnel involved in the operation of a pari-mutuel operation licensed under chapter 464 of NRS and any sporting event on which such pari-mutuel wagering is conducted; and

(h) Such other persons whose duties are similar to the classifications set forth in paragraphs (a) to (g), inclusive, as the commission may from time to time designate by regulation, but does not include personnel whose duties are related solely to such nongaming activities as entertainment, hotel operation, maintenance and the preparation and serving of food and beverages.

4. "Labor organization" means an organization of any kind, or any agency or employee representation committee or plan, which exists for the purpose, in whole or in part, of dealing *or seeking to deal* with employers of gaming casino employees concerning grievances, labor disputes, wages, rates of pay, hours of employment or conditions of work of gaming casino employees.

Sec. 5. NRS 463A.030 is hereby amended to read as follows:

463A.030 1. ~~[Every]~~ *Not later than the date on which a labor organization which represents or seeks to represent gaming casino employees in this state begins an organizational activity directed at a gaming casino employee, the labor organization shall file with the board a list of its personnel who:*

(a) Adjust *or seek to adjust* grievances for, negotiate or administer the wages, hours, working conditions or conditions of employment of any gaming casino employee;

(b) Solicit, collect or receive *or seek to solicit, collect or receive* any dues, assessments, levies, fines, contributions or other charges within this state for or on behalf of the organization from gaming casino employees; or

(c) Act as officers, members of the governing body, business agents or in any other policymaking or supervisory position in the organization.

2. Each person listed shall file with the board his fingerprints and complete information in writing concerning his labor organization activities, prior performance of the same or similar functions, previous employment or occupational history, and criminal record if any, covering at least a 10-year period unless the board determines that a shorter period is appropriate.

3. The commission shall by regulation prescribe the frequency or circumstances or both with or under which the list ~~shall~~ *must* be revised.

4. The commission may by regulation prescribe:

(a) Any further information to be required concerning each person listed or each person performing a particular function.

(b) The addition of other personnel to the list whose duties significantly affect the conduct of a gaming operation.

5. In adopting regulations pursuant to this section, the commission shall proceed in the manner prescribed in chapter 463 of NRS.

6. *For the purposes of this section, "organizational activity" includes, without limitation:*

(a) *Soliciting membership by direct personal contact;*

(b) *Distributing cards regarding interests or representation; and*

(c) *Distributing or posting a flyer, poster or advertisement.*

Sec. 6. NRS 463A.050 is hereby amended to read as follows:

463A.050 1. To determine suitability under and compliance with the provisions of this chapter, the board may investigate any person whose name is listed by a labor organization or who it believes is performing *or seeking to perform* a function which requires listing. For this purpose, the board is vested with all of the powers which it possesses for the investigation of an applicant for or holder of a state gaming license, and may further make such examination as it reasonably deems necessary of the financial records of any labor organization for whom such a person is performing *or seeking to perform* such a function.

2. The cost of any investigation required by this section ~~shall~~ *must* be paid by the board from ~~monies~~ *money* appropriated or authorized to be used for this purpose.

3. Whenever the board undertakes an investigation pursuant to this section, ~~it~~ *the board* shall employ or consult with some person who has a professional background in the field of labor relations. The same services may be retained to assist the commission upon any subsequent hearing of the matter.

4. The board shall, if appropriate, recommend to the commission that a person investigated be disqualified.

Sec. 7. NRS 463A.060 is hereby amended to read as follows:

463A.060 1. If the board recommends that a person be disqualified, the commission shall serve upon the person and the labor organization for which the person is performing his function ~~{a notice, a}~~ or seeking to perform that function:

(a) A notice;

(b) A statement of the reasons for the recommendation ; and ~~{three}~~

(c) Three copies of a form entitled "Notice of Defense."

2. The notice of defense must read substantially as follows:

#### NOTICE OF DEFENSE

Instructions to Respondents: Two copies of this form should be filed with the Nevada gaming commission, Carson City, Nevada, within 15 days after service upon you of the enclosed complaint. The form must be signed by you or on your behalf. You will note that blanks are provided for any information you wish to supply.

- |  | Yes                      | No                       |
|--|--------------------------|--------------------------|
| 1. Do you request a hearing?" .....  | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Do you admit the facts stated in the complaint? .....   | <input type="checkbox"/> | <input type="checkbox"/> |
| If you admit some of the facts stated in the complaint, but deny others, please specify:<br>(space for answer) |                          |                          |
| 3. Are there any defenses or explanations which you believe the commission should consider? .....              | <input type="checkbox"/> | <input type="checkbox"/> |
| If so, please specify:<br>(space for answer)   |                          |                          |
| 4. Do you wish to state any legal objections to the complaint? .....   | <input type="checkbox"/> | <input type="checkbox"/> |
| If so, please specify:<br>(space for answer)   |                          |                          |

Note: If you fail to file two copies of this form as specified, the commission may proceed upon the complaint without a hearing."

Amend sec. 3, page 6, line 10, after "of" by inserting: "sections 1 and 2 of".

Amend sec. 4, page 6, line 20, by deleting "becomes" and inserting: "and sections 3 to 7, inclusive, of this act become".

Amend sec. 4, page 6, line 22, by deleting "3" and inserting "8".

Amend the title of the bill, third line, after "permit;" by inserting: "revising various provisions governing the listing, investigation and disqualification of personnel of a labor organization for gaming employees;"

Amend the summary of the bill to read as follows:

"SUMMARY—Provides for issuance of statewide work permits for gaming employees and revises various provisions governing labor organizations for gaming employees. (BDR 41-244)".

Senator Washington moved the adoption of the amendment.

Remarks by Senator Washington.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 452.

Bill read third time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 1071.

Amend sec. 12, page 6, line 14, by deleting "date" and inserting "date,".

Amend sec. 12, page 6, line 25, by deleting "30" and inserting "60".

Senator Townsend moved the adoption of the amendment.

Remarks by Senator Townsend.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 465.

Bill read third time.

Roll call on Assembly Bill No. 465:

YEAS—12.

NAYS—Care, Carlton, Coffin, Schneider, Titus, Wiener—6.

Not voting—Raggio.

Excused—Neal, O'Donnell—2.

Assembly Bill No. 465 having received a constitutional majority, Mr. President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 466.

Bill read third time.

Roll call on Assembly Bill No. 466:

YEAS—19.

NAYS—None.

Excused—Neal, O'Donnell—2.

Assembly Bill No. 466 having received a two-thirds majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 468.

Bill read third time.

Conflict of interest declared by Senator Amodei.

Roll call on Assembly Bill No. 468:

YEAS—18.

NAYS—None.

Not voting—Amodei.

Excused—Neal, O'Donnell—2.

Assembly Bill No. 468 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 469.

Bill read third time.

Amend sec. 2, page 2, line 11, by deleting "ethnicity and" and inserting "ethnicity,".

Amend sec. 2, page 2, by deleting line 12 and inserting "approximate age.".

Amend sec. 2, page 2, line 18, after "(d)" by inserting: "The number of persons who were in the motor vehicle when it was stopped. (e)".

Amend sec. 2, page 2, line 22, by deleting "(e)" and inserting "(f)".

Amend sec. 2, page 2, line 25, by deleting "(f)" and inserting "(g)".

Amend sec. 2, page 2, line 27, by deleting "(g)" and inserting "(h)".

Assemblyman Anderson moved that the Assembly adopt the report of the first Conference Committee concerning Assembly Bill No. 500.

Remarks by Assemblyman Anderson.

Motion carried.

Mr. Speaker:

The first Conference Committee concerning Assembly Bill No. 466, consisting of the undersigned members, has met and reports that:

It has agreed to recommend that the amendment of the Senate be concurred in.

It has agreed to recommend that the bill be further amended as set forth in Conference Amendment No. CA17, which is attached to and hereby made a part of this report.

BERNIE ANDERSON

DENNIS NOLAN

SHEILA LESLIE

Assembly Conference Committee

MARK A. JAMES

MIKE MCGINNESS

VALERIE WIENER

Senate Conference Committee

Conference Amendment No. CA17.

Amend the bill as a whole by deleting sections 1 through 9 and adding new sections designated sections 1 through 36, following the enacting clause, to read as follows:

"Section 1. Chapter 463 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 9, inclusive, of this act.

Sec. 2. 1. "Interactive gaming" means the conduct of gambling games through the use of communications technology that allows a person, utilizing money, checks, electronic checks, electronic transfers of money, credit cards, debit cards or any other instrumentality, to transmit to a computer information 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. The term does not include the operation of a race book or sports pool that uses communications technology approved by the board pursuant to regulations adopted by the commission to accept wagers originating within this state for races or sporting events.

2. As used in 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 wire, cable, radio, microwave, light, optics or computer data networks, including, without limitation, the Internet and intranets.

Sec. 3. 1. Except as otherwise provided in subsections 2 and 3, the

commission may, with the advice and assistance of the board, adopt regulations governing the licensing and operation of interactive gaming.

2. The commission may not adopt regulations governing the licensing and operation of interactive gaming until the commission first determines that:

(a) Interactive gaming can be operated in compliance with all applicable laws;

(b) Interactive gaming systems are secure and reliable, and provide reasonable assurance that players will be of lawful age and communicating only from jurisdictions where it is lawful to make such communications; and

(c) Such regulations are consistent with the public policy of the state to foster the stability and success of gaming.

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

(a) Establish the investigation fees for:

(1) A license to operate interactive gaming;

(2) A license for a manufacturer of interactive gaming systems; and

(3) A license for a manufacturer of equipment associated with interactive gaming.

(b) Provide that:

(1) A person must hold a license for a manufacturer of interactive gaming systems to supply or provide any interactive gaming system, including, without limitation, any piece of proprietary software or hardware; and

(2) A person may be required by the commission to hold a license for a manufacturer of equipment associated with interactive gaming.

(c) Set forth standards for the suitability of a person to be licensed as a manufacturer of interactive gaming systems or manufacturer of equipment associated with interactive gaming that are as stringent as the standards for a nonrestricted license.

(d) Provide that gross revenue received by an establishment from the operation of interactive gaming is subject to the same license fee provisions of NRS 463.370 as the games and gaming devices of the establishment.

(e) Set forth standards for the location and security of the computer system and for approval of hardware and software used in connection with interactive gaming.

(f) Define "equipment associated with interactive gaming," "interactive gaming system," "manufacturer of equipment associated with interactive gaming," "manufacturer of interactive gaming systems," "operate interactive gaming" and "proprietary hardware and software" as the terms are used in this chapter.

4. Except as otherwise provided in subsection 5, the commission shall not approve a license for an establishment to operate interactive gaming unless:

(a) In a county whose population is 400,000 or more, the establishment is a resort hotel that holds a nonrestricted license to operate games and gaming devices.

(b) In a county whose population is more than 40,000 but less than

400,000, the establishment is a resort hotel that holds a nonrestricted license to operate games and gaming devices or the establishment:

(1) Holds a nonrestricted license for the operation of games and gaming devices;

(2) Has more than 120 rooms available for sleeping accommodations in the same county;

(3) Has at least one bar with permanent seating capacity for more than 30 patrons that serves alcoholic beverages sold by the drink for consumption on the premises;

(4) Has at least one restaurant with permanent seating capacity for more than 60 patrons that is open to the public 24 hours each day and 7 days each week; and

(5) Has a gaming area that is at least 18,000 square feet in area with at least 1,600 slot machines, 40 table games, and a sports book and race pool.

(c) In all other counties, the establishment is a resort hotel that holds a nonrestricted license to operate games and gaming devices or the establishment:

(1) Has held a nonrestricted license for the operation of games and gaming devices for at least 5 years before the date of its application for a license to operate interactive gaming;

(2) Meets the definition of group 1 licensee as set forth in the regulations of the commission on the date of its application for a license to operate interactive gaming; and

(3) Operates either:

(I) More than 50 rooms for sleeping accommodations in connection therewith; or

(II) More than 50 gaming devices in connection therewith.

5. The commission may:

(a) Issue a license to operate interactive gaming to an affiliate of an establishment if:

(1) The establishment satisfies the applicable requirements set forth in subsection 4; and

(2) The affiliate is located in the same county as the establishment; and

(b) Require an affiliate that receives a license pursuant to this subsection to comply with any applicable provision of this chapter.

6. It is unlawful for any person, either as owner, lessee or employee, whether for hire or not, either solely or in conjunction with others, to operate interactive gaming:

(a) Until the commission adopts regulations pursuant to this section; and

(b) Unless the person first procures, and thereafter maintains in effect, all appropriate licenses as required by the regulations adopted by the commission pursuant to this section.

7. A person who violates subsection 6 is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 10 years or by a fine of not more than \$50,000, or both.

Sec. 4. A debt incurred by a patron for play at an interactive gaming sys-

tem of an establishment licensed to operate interactive gaming is valid and may be enforced by legal process.

Sec. 5. 1. Upon the recommendation of the board, the commission may require:

(a) A manufacturer of equipment associated with interactive gaming who sells, transfers or offers equipment associated with interactive gaming for use or play in this state to file an application for a license to be a manufacturer of equipment associated with interactive gaming.

(b) A person who directly or indirectly involves himself in the sale, transfer or offering for use or play in this state of equipment associated with interactive gaming who is not otherwise required to be licensed as a manufacturer or distributor pursuant to this chapter to file an application for a license to be a manufacturer of equipment associated with interactive gaming.

2. If a person fails to submit an application for a license to be a manufacturer of equipment associated with interactive gaming within 30 days after a demand by the commission pursuant to this section, the commission may pursue any remedy or combination of remedies provided in this chapter.

Sec. 6. 1. Before issuing an initial license for an establishment to operate interactive gaming, the commission shall charge and collect from the establishment a license fee of \$500,000.

2. Each initial license for an establishment to operate interactive gaming must be issued for a 2-year period beginning on January 1 of the first year and ending on December 31 of the second year.

3. Notwithstanding the provisions of subsections 1 and 2 to the contrary, a license for an establishment to operate interactive gaming may be issued after January 1 of a calendar year for a period beginning on the date of issuance of the license and ending on the second December 31 following the date of issuance of the license. Before issuing an initial license pursuant to this subsection, the commission shall charge and collect from the establishment a license fee of \$500,000 prorated by 1/24 for each full month between January 1 of the calendar year and the date of issuance of the license.

4. Before renewing a license issued pursuant to this section, but in no case later than the second December 31 after the license was issued or previously renewed, the commission shall charge and collect a renewal fee of \$250,000 for the renewal of the license for the immediately following 1-year period.

Sec. 7. The operation of interactive gaming is exempt from the fees and taxes imposed pursuant to NRS 463.375, 463.380, 463.383 and 463.385.

Sec. 8. 1. Before issuing a license for a manufacturer of interactive gaming systems or manufacturer of equipment associated with interactive gaming, the commission shall charge and collect a license fee of:

(a) One hundred and twenty-five thousand dollars for a license for a manufacturer of interactive gaming systems; or

(b) Fifty thousand dollars for a license for a manufacturer of equipment associated with interactive gaming.

2. Each license issued pursuant to this section must be issued for a 1-year period that begins on the date the license is issued.

3. Before renewing a license issued pursuant to this section, but in no case later than 1 year after the license was issued or previously renewed, the commission shall charge and collect a renewal fee for the renewal of the license for the immediately following 1-year period. The renewal fee for a license for a manufacturer of interactive gaming systems or manufacturer of equipment associated with interactive gaming is \$25,000.

Sec. 9. 1. All gross revenue from operating interactive gaming received by an establishment licensed to operate interactive gaming, regardless of whether any portion of the revenue is shared with another person, must be attributed to the licensee and counted as part of the gross revenue of the licensee for the purpose of computing the license fee required by NRS 463.370.

2. A manufacturer of interactive gaming systems who is authorized by an agreement to receive a share of the revenue from an interactive gaming system from an establishment licensed to operate interactive gaming is liable to the establishment for a portion of the license fee paid pursuant to subsection 1. The portion for which the manufacturer of interactive gaming systems is liable is 6.25 percent of the amount of revenue to which the manufacturer of interactive gaming systems is entitled pursuant to the agreement.

3. For the purposes of subsection 2, the amount of revenue to which the manufacturer of interactive gaming systems is entitled pursuant to an agreement to share the revenue from an interactive gaming system:

(a) Includes all revenue of the manufacturer of interactive gaming systems that is his share of the revenue from the interactive gaming system pursuant to the agreement; and

(b) Does not include revenue that is the fixed purchase price for the sale of a component of the interactive gaming system.

Sec. 10. 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 463.0197, inclusive, and section 2 of this act, have the meanings ascribed to them in those sections.

Sec. 11. NRS 463.0157 is hereby amended to read as follows:

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

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

(b) Boxmen;

(c) Cashiers;

(d) Change personnel;

(e) Counting room personnel;

(f) Dealers;

(g) Employees of a person required by NRS 464.010 to be licensed to operate an off-track pari-mutuel system;

(h) Employees of a person required by NRS 463.430 to be licensed to disseminate information concerning racing;

(i) Employees of manufacturers or distributors of gaming equipment within this state whose duties are directly involved with the manufacture, repair or distribution of gaming devices, ~~for~~ cashless wagering systems ~~for~~, interactive gaming systems or equipment associated with interactive gaming;

(j) Employees of operators of slot routes who have keys for slot machines or who accept and transport revenue from the slot drop;

(k) Employees of operators of inter-casino linked systems or interactive gaming systems whose duties include the operational or supervisory control of the systems or the games that are part of the systems;

(l) Floormen;

(m) Hosts or other persons empowered to extend credit or complimentary services;

(n) Keno runners;

(o) Keno writers;

(p) Machine mechanics;

(q) Odds makers and line setters;

(r) Security personnel;

(s) Shift or pit bosses;

(t) Shills;

(u) Supervisors or managers;

(v) Ticket writers; and

(w) Employees of a person required by NRS 463.160 to be licensed to operate an information service.

2. "Gaming employee" does not include bartenders, cocktail waitresses or other persons engaged exclusively in preparing or serving food or beverages.

Sec. 12. NRS 463.0172 is hereby amended to read as follows:

463.0172 "Manufacturer" means a person who:

1. Manufactures, assembles, programs or makes modifications to a gaming device, ~~for~~ cashless wagering system ~~for~~ or interactive gaming system; or

2. Designs, assumes responsibility for the design of, controls the design or assembly of, or maintains a copyright over the design of, a mechanism, electronic circuit or computer program which cannot be reasonably demonstrated to have any application other than in a gaming device, ~~for in a~~ cashless wagering system ~~for~~ or interactive gaming system for use or play in this state or for distribution outside of this state.

Sec. 13. NRS 463.0197 is hereby amended to read as follows:

463.0197 "Work permit" means any card, certificate or permit issued by the board or by a county or city licensing authority, whether denominated as a work permit, registration card or otherwise, authorizing the holder to be employed as a gaming employee in this state or to serve as an independent agent. A document issued by any governmental authority for any employment other than gaming is not a valid work permit for the purposes of this chapter.

Sec. 14. NRS 463.200 is hereby amended to read as follows:

463.200 1. Application for a state gaming license or other commission action [shall] must be made to the board on forms furnished by the board and in accordance with the regulations of the commission.

2. The application for a license [shall] must include:

(a) The name of the proposed licensee.

(b) The location of his place or places of business.

(c) The gambling games, gaming device or slot machines to be operated.

(d) The names of all persons directly or indirectly interested in the business and the nature of such interest.

(e) Such other information and details as the board may require in order to discharge its duty properly.

3. *If the application is for a restricted license on premises not owned by the applicant, the application must include a sworn and notarized statement from the owner or lessor of the premises indicating whether the consideration paid by the applicant for the use of the premises has been or will be increased because of the operation of gaming on the premises.*

4. The board shall furnish to the applicant supplemental forms, which the applicant shall complete and file with the application. Such supplemental forms [shall] must require, but [shall] must not be limited to, complete information and details with respect to the applicant's antecedents, habits, character, criminal record, business activities, financial affairs and business associates, covering at least a 10-year period immediately preceding the date of filing of the application.

Sec. 15. NRS 463.245 is hereby amended to read as follows:

463.245 1. Except as otherwise provided in ~~{subsections 2, 3 and 4}~~ this section:

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

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

2. A person who has been issued a nonrestricted gaming license may establish a sports pool or race book on the premises of the establishment at which he conducts a nonrestricted gaming operation only after obtaining permission from the commission.

3. A person who has been issued a license to operate a sports pool or race book at an establishment may be issued a license to operate a sports pool or race book at another establishment if the second establishment is operated by a person who has been issued a nonrestricted license.

4. Nothing in this section limits or prohibits an operator of an inter-casino linked system from placing and operating such a system on the premises of two or more gaming licensees and receiving, either directly or indirectly, any compensation or any percentage or share of the money or property played from the linked games in accordance with the provisions of

this chapter and the regulations adopted by the commission. An inter-casino linked system must not be used to link games other than slot machines, unless such games are located at an establishment that is licensed for games other than slot machines.

5. *The provisions of this section do not apply to a license to operate interactive gaming.*

Sec. 16. 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 and independent agents in the State of Nevada; and

(b) Maintain confidential records of such information.

2. Except as otherwise provided in ~~{subsections 3 and 4,}~~ subsection 3, a person may not be employed as a gaming employee or serve as an independent agent unless he is the holder of ~~+~~

~~(a) A valid work permit issued in accordance with the applicable ordinances or regulations of the county or city in which his duties are performed and the provisions of this chapter; or~~

~~(b) A valid work permit issued by the board, if a work permit is not required by either the county or the city;}~~ a valid work permit to work as a gaming employee issued pursuant to this section. A work permit to work as a gaming employee may be issued by the board or by a county or city licensing authority. An applicant for a work permit shall file his application for a work permit with the licensing authority of the city in which he resides if that city requires a work permit. If the city in which he resides does not require such a permit, the applicant shall file his application with the licensing authority of the county in which he resides if that county requires a work permit. If the county in which he resides does not require such a permit, the applicant shall file his application with the board. The board shall, by regulation, prescribe the form for an application for a work permit to work as a gaming employee. The fee for such a permit may be charged only to cover the actual investigative and administrative costs related to processing an application for such a permit and must not exceed \$75.

3. An independent agent is not required to hold a work permit if he is not a resident of this state and has registered with the board in accordance with the provisions of the regulations adopted by the commission.

4. ~~{A person may be employed as a gaming employee for an operator of a slot machine route and perform duties for his employer in more than one county or city without obtaining a valid work permit for each county or city in which he performs those duties if the person holds:~~

~~(a) A valid work permit issued in accordance with the applicable ordinances or regulations of the county or city in which his duties are primarily performed and the provisions of this chapter; or~~

~~(b) A valid work permit issued by the board, if a work permit is not~~



~~required by either the county or the city in which his duties are primarily performed.~~

~~5. A gaming employee described in subsection 4 shall notify the licensing authority of each city and county in which he performs duties for his employer, other than the licensing authority that issued his valid work permit, that he has obtained a valid work permit pursuant to subsection 4.~~

~~6. Upon receipt of an application for a work permit to work as a gaming employee, the board or licensing authority shall conduct an investigation of the applicant to determine whether he is eligible for the permit. In conducting the investigation, the board or licensing authority shall forward a complete set of the applicant's fingerprints to the central repository for Nevada records of criminal history for 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.~~

5. A work permit issued to a gaming employee or an independent agent must have clearly imprinted thereon a statement that it is valid for gaming purposes only.

6. Unless denied or objected to by the board at the time that the permittee filed a notice of a change in his place of employment pursuant to subsection 8 and unless suspended or revoked, such a permit expires on the fifth anniversary of the permittee's birthday, measured from the birthday nearest the date of issuance or renewal. If the date of birth of a permittee is on February 29 in a leap year, for the purposes of this section, his date of birth shall be deemed to be on February 28.

7. Whenever any person applies to a county or city licensing authority for the issuance or renewal of a work permit, the county or city officer or employee to whom the application is made shall within 24 hours mail or deliver a copy thereof to the board, and may at the discretion of the county or city licensing authority issue a temporary work permit ~~that is valid for 120 days~~. If within ~~90~~ 120 days after receipt by the board of the copy of the application, the board has not notified the county or city licensing authority of any objection, the authority may issue, renew or deny a permanent work permit to the applicant.

8. A gaming employee who is issued a work permit ~~must obtain renewal of the permit from the issuing agency within 10 days following any change of his place of employment. An independent agent who is issued a work permit must obtain renewal of the permit from the issuing agency within 10 days after executing an agreement to serve as an independent agent within the jurisdiction of the issuing agency.~~

~~8. is eligible for employment in any licensed gaming establishment in this state until the work permit is denied or objected to by the board, expires or is revoked. However, each such employee shall notify the board within 10 days following any change of his place of employment at a gaming establishment. Such a notification shall be deemed an application for a work permit that the board may deny or object to after conducting any investigations the board deems appropriate. The provisions of subsections 9 to 16, inclu-~~

sive, apply to any such objection of the board. The commission shall adopt regulations to:

(a) Facilitate uniform procedures for the issuance of work permits by counties and cities;

(b) Establish uniform criteria for denial by a county or city licensing authority of an application for a work permit; 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 possesses a valid work permit.

9. If the board, within the ~~90-day~~ 120-day period, notifies:

(a) The county or city licensing authority; and

(b) The applicant,

that the board objects to the granting of a work permit to the applicant, the authority shall deny the work permit and shall immediately revoke and repossess any temporary work permit which it may have issued. The notice of 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 objection.

~~9. Application for a work permit may be made to the board, and may be granted or denied for any cause deemed reasonable by the board.~~

10. Whenever an application for a work permit is made to the board and the board denies such an application, it shall include in its notice of the denial a statement of the facts upon which it relied in denying the application. ~~Except for a permit issued to a person pursuant to subsection 4, a permit issued by the board is valid only in a county or city that does not require a work permit.~~

~~10. 11.~~ 11. Any person whose application for a work permit has been denied because of an objection by the board or whose application has been denied by the board may, not later than 60 days after receiving notice of the denial or objection, apply to the board for a hearing. A failure of a person whose application has been denied to apply for a hearing within 60 days or his failure to appear at a hearing of the board conducted pursuant to this section shall be deemed to be an admission that the denial 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 denial of the work permit or the objection to the issuance of a work permit.

~~11. 12.~~ 12. The board may object to the issuance of a work permit or may refuse to issue a work permit for any cause deemed reasonable by the board. The board may object or refuse 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 the issuance or renewal of a work permit;

(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;

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(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;

(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 a work permit revoked or committed any act which is a ground for the revocation of a work permit or would have been a ground for revoking his work permit if he had then held a work permit.

If the board issues or does not object to the issuance of a work permit to an applicant, ~~{who has been convicted of a crime which is a felony, gross misdemeanor or misdemeanor,}~~ it may specially limit the period for which the permit is valid, limit the job classifications for which the holder of the permit may be employed and establish such individual conditions for the issuance, renewal and effectiveness of the permit as the board deems appropriate, including required submission to unscheduled tests for the presence of alcohol or controlled substances.

~~{12-}~~ 13. Any applicant aggrieved by the decision of the board may, within 15 days after the announcement of the decision, apply in writing to the commission for review of the decision. Review is limited to the record of the proceedings before the board. The commission may sustain, modify or reverse the board's decision. The decision of the commission is subject to judicial review pursuant to NRS 463.315 to 463.318, inclusive.

~~{13-}~~ 14. Except as otherwise provided in this subsection, all records acquired or compiled by the board or commission relating to any application made pursuant to this section and all lists of persons to whom work permits have been issued or denied and all records of the names or identity of persons engaged in the gaming industry in this state are confidential and must not be disclosed except in the proper administration of this chapter or to an authorized law enforcement agency. Upon receipt of a request from the welfare division of the department of human resources pursuant to NRS 425.400 for information relating to a specific person who has applied for or holds a work permit, the board shall disclose to the division his social security number, residential address and current employer as that information is listed in the files and records of the board. Any record of the board or commission which shows that the applicant has been convicted of a crime in another state must 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.

~~{14. A work permit expires unless renewed in accordance with subsection 7, or if the holder thereof is not employed as a gaming employee or does not serve as an independent agent within the jurisdiction of the issuing authority for more than 90 days.}~~

15. The chairman of the board may designate a member of the board or the board may appoint a hearing examiner and authorize that person to perform on behalf of the board any of the following functions required of the board by this section concerning work permits:

(a) Conducting a hearing and taking testimony;

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

(c) Making a recommendation to the board based upon the testimony and evidence or rendering a decision on behalf of the board to sustain or reverse the denial of a work permit or the objection to the issuance or renewal of a work permit; and

(d) Notifying the applicant of the decision.

16. Notice by the board as provided pursuant to this section is sufficient if it is mailed to the applicant's last known address as indicated on the application for a work permit, or the record of the hearing, as the case may be. 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.

Sec. 17. NRS 463.3557 is hereby amended to read as follows:

463.3557 ~~{Am}~~

1. *Except as otherwise provided in subsection 2, an electronic transfer of money from a financial institution directly to a game or gaming device may not be made with a credit card.*

2. *The provisions of subsection 1 do not apply to an interactive gaming system.*

Sec. 18. NRS 463.361 is hereby amended to read as follows:

463.361 1. Except as otherwise provided in *section 4 of this act and NRS 463.361 to 463.366, inclusive*, gaming debts that are not evidenced by a credit instrument are void and unenforceable and do not give rise to any administrative or civil cause of action.

2. A claim by a patron of a licensee for payment of a gaming debt that is not evidenced by a credit instrument may be resolved in accordance with NRS 463.362 to 463.366, inclusive:

(a) By the board; or

(b) If the claim is for less than \$500, by a hearing examiner designated by the board.

Sec. 19. NRS 463.370 is hereby amended to read as follows:

463.370 1. Except as otherwise provided in NRS 463.373, the commission shall charge and collect from each licensee a license fee based upon all the gross revenue of the licensee as follows:

(a) Three percent of all the gross revenue of the licensee which does not exceed \$50,000 per calendar month;

(b) Four percent of all the gross revenue of the licensee which exceeds

\$50,000 per calendar month and does not exceed \$134,000 per calendar month; and

(c) Six and one-quarter percent of all the gross revenue of the licensee which exceeds \$134,000 per calendar month.

2. Unless the licensee has been operating for less than a full calendar month, the commission shall charge and collect the fee prescribed in subsection 1, based upon the gross revenue for the preceding calendar month, on or before the 24th day of the following month. Except for the fee based on the first full month of operation, the fee is an estimated payment of the license fee for the third month following the month whose gross revenue is used as its basis.

3. When a licensee has been operating for less than a full calendar month, the commission shall charge and collect the fee prescribed in subsection 1, based on the gross revenue received during that month, on or before the 24th day of the following calendar month of operation. After the first full calendar month of operation, the commission shall charge and collect the fee based on the gross revenue received during that month, on or before the 24th day of the following calendar month. The payment of the fee due for the first full calendar month of operation must be accompanied by the payment of a fee equal to three times the fee for the first full calendar month. This additional amount is an estimated payment of the license fees for the next 3 calendar months. Thereafter, each license fee must be paid in the manner described in subsection 2. Any deposit held by the commission on July 1, 1969, must be treated as an advance estimated payment.

4. All revenue received from any game or gaming device which is operated on the premises of a licensee, regardless of whether any portion of the revenue is shared with any other person, must be attributed to the licensee for the purposes of this section and counted as part of the gross revenue of the licensee. Any other person, including, without limitation, an operator of an inter-casino linked system, who is authorized to receive a share of the revenue from any game, gaming device or inter-casino linked system that is operated on the premises of a licensee is liable to the licensee for that person's proportionate share of the license fees paid by the licensee pursuant to this section and shall remit or credit the full proportionate share to the licensee on or before the 24th day of each calendar month. The proportionate share of an operator of an inter-casino linked system must be based on all compensation and other consideration received by the operator of the inter-casino linked system, including, without limitation, amounts that accrue to the meter of the primary progressive jackpot of the inter-casino linked system and amounts that fund the reserves of such a jackpot, subject to all appropriate adjustments for deductions, credits, offsets and exclusions that the licensee is entitled to take or receive pursuant to the provisions of this chapter. A licensee is not liable to any other person authorized to receive a share of the licensee's revenue from any game, gaming device or inter-casino linked system that is operated on the premises of the licensee for that person's proportionate share of the license fees to be remitted or credited to the licensee by that person pursuant to this section.

5. An operator of an inter-casino linked system shall not enter into any agreement or arrangement with a licensee that provides for the operator of the inter-casino linked system to be liable to the licensee for less than its full proportionate share of the license fees paid by the licensee pursuant to this section, whether accomplished through a rebate, refund, charge-back or otherwise.

6. Any person required to pay a fee pursuant to this section shall file with the commission, on or before the 24th day of each calendar month, a report showing the amount of all gross revenue received during the preceding calendar month. Each report must be accompanied by:

(a) The fee due based on the revenue of the month covered by the report; and

(b) An adjustment for the difference between the estimated fee previously paid for the month covered by the report, if any, and the fee due for the actual gross revenue earned in that month. If the adjustment is less than zero, a credit must be applied to the estimated fee due with that report.

7. If the amount of license fees required to be reported and paid pursuant to this section is later determined to be greater or less than the amount actually reported and paid, the commission shall:

(a) Charge and collect the additional license fees determined to be due, with interest thereon until paid; or

(b) Refund any overpayment to the person entitled thereto pursuant to this chapter, with interest thereon.

Interest pursuant to paragraph (a) must be computed at the rate prescribed in NRS 17.130 from the first day of the first month following [either] the due date of the additional license fees ~~for the date of overpayment~~ until paid.

Interest pursuant to paragraph (b) must be computed at one-half the rate prescribed in NRS 17.130 from the first day of the first month following the date of overpayment until paid.

8. Failure to pay the fees provided for in this section shall be deemed a surrender of the license at the expiration of the period for which the estimated payment of fees has been made, as established in subsection 2.

9. Except as otherwise provided in NRS 463.386, the amount of the fee prescribed in subsection 1 must not be prorated.

10. Except as otherwise provided in NRS 463.386, if a licensee ceases operation, the commission shall:

(a) Charge and collect the additional license fees determined to be due with interest ~~to be computed pursuant to paragraph (a) of subsection 7;~~ or

(b) Refund any overpayment ~~to the licensee with interest thereon;~~ to the licensee ~~to be computed pursuant to paragraph (b) of subsection 7,~~ based upon the gross revenue of the licensee during the last 3 months immediately preceding the cessation of operation, or portions of those last 3 months.

11. If in any month, the amount of gross revenue is less than zero, the licensee may offset the loss against gross revenue in succeeding months until the loss has been fully offset.

12. If in any month, the amount of the license fee due is less than zero,

the licensee is entitled to receive a credit against any license fees due in succeeding months until the credit has been fully offset.

Sec. 20. NRS 463.387 is hereby amended to read as follows:

463.387 1. State gaming license fees or taxes paid in excess of the amount required to be reported and paid may be refunded, upon the approval of the commission, as other claims against the state are paid.

2. Within 90 days after the mailing of the notice of the commission's action upon a claim for refund filed pursuant to this chapter, the claimant may bring an action against the commission on the grounds set forth in the claim in any court of competent jurisdiction for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.

3. Failure to bring an action within the time specified in subsection 2 constitutes a waiver of any demand against the state on account of alleged overpayments.

4. Within 20 days after the mailing of the notice of the commission's action upon a claim for refund filed pursuant to this chapter, the claimant may file a motion for rehearing with the commission. The commission must take action on the motion for rehearing within 50 days after it has been filed with the commission. If the motion for rehearing is granted, the commission's earlier action upon the claim for refund is rescinded and the 90-day period specified in subsection 2 does not begin until the commission mails notice of its action upon the claim following the rehearing.

5. If the commission fails to mail its notice of action on a claim within 6 months after the claim is filed or reheard, the claimant may consider the claim disallowed and bring an action against the commission on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.

6. In any case where a refund is granted, interest must be allowed at one-half the rate prescribed in NRS 17.130 upon the amount found to have been erroneously paid from the first day of the first month following the date of overpayment until paid. The commission may in its discretion deny or limit the payment of interest if it finds that the claimant has failed to file a claim for a refund within 90 days after receiving written notification of overpayment from the board or has impeded the board's ability to process the claim in a timely manner.

7. Notwithstanding the provisions of NRS 353.115, any claim for refund of state gaming license fees or taxes paid in excess of the amount required to be reported and paid ~~to~~ must be filed with the commission within 5 years after the date of overpayment and not thereafter.

8. The provisions of this chapter must not be construed to permit the proration of state gaming taxes or license fees for purposes of a refund.

Sec. 21. NRS 463.400 is hereby amended to read as follows:

463.400 Any person who willfully fails to report, pay or truthfully account for and pay over the license fees imposed by NRS 463.370, 463.373 to 463.3855, inclusive, and sections 6 to 9, inclusive, of this act, 463.390 and 463.450, or willfully attempts in any manner to evade or defeat any such tax or payment thereof, or any licensee who puts additional games into play without authority of the commission to do so or any licensee who fails to

remit any license fee provided for by this chapter when due is in addition to the amount due liable for a penalty of the amount of the license fee evaded or not paid, collected or paid over. The penalty must be assessed and collected in the same manner as are other charges, license fees and penalties under this chapter.

Sec. 22. NRS 463.403 is hereby amended to read as follows:

463.403 1. Every person required to pay the tax imposed by NRS 463.401 shall file with the commission, on or before the 24th day of each month, a report showing the amount of all taxable receipts for the preceding month.

2. Each report must be accompanied by the amount of tax which is due for the month covered by the report.

3. If the amount of tax required to be reported and paid pursuant to NRS 463.401 is later determined to be greater or less than the amount actually reported and paid, the commission shall:

(a) Charge and collect the additional tax determined to be due, with interest thereon until paid; or

(b) Refund any overpayment to the person entitled thereto pursuant to this chapter, with interest thereon.

Interest ~~is~~ pursuant to paragraph (a) must be computed at the rate prescribed in NRS 17.130 from the first day of the first month following ~~either~~ the due date of the additional tax ~~for the date of overpayment~~ until paid. Interest pursuant to paragraph (b) must be computed at one-half the rate prescribed in NRS 17.130 from the first day of the first month following the date of overpayment until paid.

Sec. 23. NRS 463.450 is hereby amended to read as follows:

463.450 1. Any disseminator of such information obtaining a license under NRS 463.430 to 463.480, inclusive, shall pay to the commission a fee of 4.25 percent of the total fees collected from users each calendar month for the dissemination of live broadcasts.

2. The commission shall collect the fee on or before the last day of each calendar month for the preceding calendar month.

3. If the amount of the fee required by this section to be reported and paid is determined to be different than the amount reported or paid by the licensee, the commission shall:

(a) Charge and collect any additional fee determined to be due, with interest thereon until paid; or

(b) Refund any overpaid fees to the person entitled thereto pursuant to this chapter, with interest thereon.

Interest ~~is~~ pursuant to paragraph (a) must be computed at the rate prescribed in NRS 17.130 from the first day of the first calendar month following ~~either~~ the due date of the additional license fees ~~for the date of overpayment~~ until paid. Interest pursuant to paragraph (b) must be computed at one-half the rate prescribed in NRS 17.130 from the first day of the first month following the date of overpayment until paid.

4. The commission shall remit all fees collected, less any fees refunded pursuant to subsection 3, to the state treasurer for deposit to the credit of the state general fund.

Sec. 24. NRS 463.482 is hereby amended to read as follows:

463.482 As used in NRS 463.160 to 463.170, inclusive, and section 3 of this act, 463.368, 463.386 and 463.482 to 463.645, inclusive, unless the context otherwise requires, the words and terms defined in NRS 463.482 to 463.488, inclusive, have the meanings ascribed to them in those sections.

Sec. 25. NRS 463.643 is hereby amended to read as follows:

463.643 1. Each person who acquires, directly or indirectly, beneficial ownership of any voting security in a publicly traded corporation which is registered with the commission may be required to be found suitable if the commission has reason to believe that his acquisition of ~~such~~ that ownership would otherwise be inconsistent with the declared policy of this state.

2. Each person who acquires, directly or indirectly, beneficial ownership of any debt security in a publicly traded corporation which is registered with the commission may be required to be found suitable if the commission has reason to believe that his acquisition of ~~such~~ the debt security would otherwise be inconsistent with the declared policy of this state.

3. Each person who, individually or in association with others, acquires, directly or indirectly, beneficial ownership of more than 5 percent of any class of voting securities of a publicly traded corporation registered with the Nevada gaming commission, and who is required to report, or voluntarily reports, ~~such~~ the acquisition to the Securities and Exchange Commission pursuant to section 13(d)(1), 13(g) or 16(a) of the Securities Exchange Act of 1934, as amended, ~~to~~ 15 U.S.C. §§ 78m(d)(1), 78m(g) and 78p(a), respectively, ~~to~~ shall file a copy of that report, and any amendments thereto, with the Nevada gaming commission within 10 days after filing that report with the Securities and Exchange Commission.

4. Each person who, individually or in association with others, acquires, directly or indirectly, the beneficial ownership of more than 10 percent of any class of voting securities of a publicly traded corporation registered with the commission, ~~and~~ or who is required to report, or voluntarily reports, ~~the~~ such acquisition pursuant to section 13(d)(1), 13(g) or 16(a) of the Securities Exchange Act of 1934, as amended, ~~to~~ 15 U.S.C. §§ 78m(d)(1), 78m(g) and 78p(a), respectively, ~~to~~ shall apply to the commission for a finding of suitability within 30 days after the chairman of the board mails the written notice.

5. A person who acquires beneficial ownership of any voting security or debt security in a publicly traded corporation created under the laws of a foreign country which is registered with the commission shall file such reports and is subject to such a finding of suitability as the commission may prescribe.

6. Any person required by the commission or by this section to be found suitable shall:

(a) Except as otherwise required in subsection 4, apply for a finding of suitability within 30 days after the commission requests that he do so; and

(b) Together with the application, deposit with the board a sum of money which, in the opinion of the board, will be adequate to pay the anticipated costs and charges incurred in the investigation and processing of the appli-

cation, and deposit such additional sums as are required by the board to pay final costs and charges.

7. Any person required by the commission or this section to be found suitable who is found unsuitable by the commission shall not hold directly or indirectly the beneficial ownership of any voting security or debt security of a publicly traded corporation which is registered with the commission beyond the time prescribed by the commission.

8. The violation of subsection 6 or 7 is a gross misdemeanor.

9. As used in this section, "debt security" means any instrument generally recognized as a corporate security representing money owed and reflected as debt on the financial statement of a publicly traded corporation, including, but not limited to, bonds, notes and debentures.

Sec. 26. NRS 463.650 is hereby amended to read as follows:

463.650 1. Except as otherwise provided in subsections 2 to 5, inclusive, it is unlawful for any person, either as owner, lessee or employee, whether for hire or not, to operate, carry on, conduct or maintain any form of manufacture, selling or distribution of any gaming device, ~~for~~ cashless wagering system or interactive gaming system for use or play in Nevada or for distribution outside of Nevada without first procuring and maintaining all required federal, state, county and municipal licenses.

2. A lessor who specifically acquires equipment for a capital lease is not required to be licensed under this section or NRS 463.660.

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

4. The commission may, by regulation, authorize a person who owns gaming devices for home use in accordance with NRS 463.160 to sell such devices without procuring a license therefor.

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

(a) A law enforcement agency;

(b) A court of law; or

(c) A gaming device repair school licensed by the commission on postsecondary education,

may be disposed of by sale, in a manner approved by the board, without a distributor's license. An application for approval must be submitted to the board in the manner prescribed by the chairman.

6. Any person whom the commission determines is a suitable person to receive a license under the provisions of this section and NRS 463.660 may be issued a manufacturer's or distributor's license. The burden of proving his qualification to receive or hold a license under this section and NRS 463.660 is at all times on the applicant or licensee.

7. Every person who must be licensed pursuant to this section is subject to the provisions of NRS 463.482 to 463.645, inclusive, unless exempted from those provisions by the commission.

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

9. As used in this section, "holding company" has the meaning ascribed to it in NRS 463.485.

Sec. 27. NRS 463.670 is hereby amended to read as follows:

463.670 1. The legislature finds and declares as facts:

(a) That the inspection of gaming devices, associated equipment, ~~[and]~~ cashless wagering systems and interactive gaming systems is essential to carry out the provisions of this chapter; and

(b) That inspection of gaming devices, associated equipment, ~~[and]~~ cashless wagering systems and interactive gaming systems is greatly facilitated by the opportunity to inspect components before assembly and to examine the methods of manufacture.

2. The board may inspect every gaming device which is manufactured, sold or distributed:

(a) For use in this state, before the gaming device is put into play.

(b) In this state for use outside this state, before the gaming device is shipped out of this state.

3. The board may inspect every gaming device which is offered for play within this state by a licensee.

4. The board may inspect all associated equipment, ~~[and]~~ every cashless wagering system and every interactive gaming system which is manufactured, sold or distributed for use in this state before the equipment or system is installed or used by a licensee and at any time while the licensee is using the equipment or system.

5. In addition to all other fees and charges imposed by this chapter, the board may determine, charge and collect an inspection fee from each manufacturer, seller or distributor which must not exceed the actual cost of inspection and investigation.

Sec. 28. NRS 463A.010 is hereby amended to read as follows:

463A.010 The legislature finds and declares that:

1. The relationship which exists between a labor organization and the employees whom it represents or seeks to represent in collective bargaining is such that it may significantly affect the conduct of a gaming operation by an employer.

2. In the past, attempts have been made by persons whose background is not suitable for association with licensed gaming to gain positions of control in labor organizations representing or seeking to represent gaming casino employees in this state.

3. In order to carry out the declared policy of this state that licensed gaming be conducted freely and honestly, and in order to protect the welfare of the employees of the gaming industry which is fundamental to the economy of this state, it is necessary to determine the suitability of any person

who performs or seeks to perform certain significant functions in the representation of gaming casino employees in this state.

Sec. 29. NRS 463A.020 is hereby amended to read as follows:

463A.020 As used in this chapter:

1. "Board" means the state gaming control board.

2. "Commission" means the Nevada gaming commission.

3. "Gaming casino employee" means any person employed directly or indirectly in the operation of a gaming establishment under a nonrestricted license, including:

(a) All personnel involved in the operation of a casino gaming pit, such as dealers, shills, clerks, hosts, junket representatives and the supervisors of such persons;

(b) All personnel involved in handling money, such as cashiers, change persons, count teams, coin wrappers and the supervisors of such persons;

(c) All personnel involved in the operation of games, such as bingo and keno;

(d) All personnel involved in operating and maintaining slot machines, such as mechanics, floormen, change and payoff persons and the supervisors of such persons;

(e) All personnel involved in security, such as guards, games observers and the supervisors of such persons;

(f) All personnel involved in the operation of a race or sports book, such as writers, boardmen, cashiers and the supervisors of such persons;

(g) All personnel involved in the operation of a pari-mutuel operation licensed under chapter 464 of NRS and any sporting event on which such pari-mutuel wagering is conducted; and

(h) Such other persons whose duties are similar to the classifications set forth in paragraphs (a) to (g), inclusive, as the commission may from time to time designate by regulation, but does not include personnel whose duties are related solely to such nongaming activities as entertainment, hotel operation, maintenance and the preparation and serving of food and beverages.

4. "Labor organization" means an organization of any kind, or any agency or employee representation committee or plan, which exists for the purpose, in whole or in part, of dealing or seeking to deal with employers of gaming casino employees concerning grievances, labor disputes, wages, rates of pay, hours of employment or conditions of work of gaming casino employees.

Sec. 30. NRS 463A.030 is hereby amended to read as follows:

463A.030 1. ~~[Every] Not later than the date on which a~~ labor organization which represents or seeks to represent gaming casino employees in this state begins an organizational activity directed at a gaming casino employee, the labor organization shall file with the board a list of its personnel who:

(a) Adjust or seek to adjust grievances for, negotiate or administer the wages, hours, working conditions or conditions of employment of any gaming casino employee;

(b) Solicit, collect or receive or seek to solicit, collect or receive any dues,



assessments, levies, fines, contributions or other charges within this state for or on behalf of the organization from gaming casino employees; or

(c) Act as officers, members of the governing body, business agents or in any other policymaking or supervisory position in the organization.

2. Each person listed shall file with the board his fingerprints and complete information in writing concerning his labor organization activities, prior performance of the same or similar functions, previous employment or occupational history, and criminal record if any, covering at least a 10-year period unless the board determines that a shorter period is appropriate.

3. The commission shall by regulation prescribe the frequency or circumstances or both with or under which the list ~~shall~~ must be revised.

4. The commission may by regulation prescribe:

(a) Any further information to be required concerning each person listed or each person performing a particular function.

(b) The addition of other personnel to the list whose duties significantly affect the conduct of a gaming operation.

5. In adopting regulations pursuant to this section, the commission shall proceed in the manner prescribed in chapter 463 of NRS.

6. For the purposes of this section, "organizational activity" means:

- (a) Soliciting membership by direct personal contact;
- (b) Distributing cards regarding interests or representation; or
- (c) Distributing or posting a flyer, poster or advertisement.

Sec. 31. NRS 463A.050 is hereby amended to read as follows:

463A.050 1. To determine suitability under and compliance with the provisions of this chapter, the board may investigate any person whose name is listed by a labor organization or who it believes is performing or seeking to perform a function which requires listing. For this purpose, the board is vested with all of the powers which it possesses for the investigation of an applicant for or holder of a state gaming license, and may further make such examination as it reasonably deems necessary of the financial records of any labor organization for whom such a person is performing or seeking to perform such a function.

2. The cost of any investigation required by this section ~~shall~~ must be paid by the board from ~~money~~ money appropriated or authorized to be used for this purpose.

3. Whenever the board undertakes an investigation pursuant to this section, ~~the~~ the board shall employ or consult with some person who has a professional background in the field of labor relations. The same services may be retained to assist the commission upon any subsequent hearing of the matter.

4. The board shall, if appropriate, recommend to the commission that a person investigated be disqualified.

Sec. 32. NRS 463A.060 is hereby amended to read as follows:

463A.060 1. If the board recommends that a person be disqualified, the commission shall serve upon the person and the labor organization for which the person is performing his function ~~a notice, a~~ or seeking to perform that function:

- (a) A notice;
- (b) A statement of the reasons for the recommendation; and [three]
- (c) Three copies of a form entitled "Notice of Defense."

2. The notice of defense must read substantially as follows:

NOTICE OF DEFENSE

Instructions to Respondents: Two copies of this form should be filed with the Nevada gaming commission, Carson City, Nevada, within 15 days after service upon you of the enclosed complaint. The form must be signed by you or on your behalf. You will note that blanks are provided for any information you wish to supply.

	Yes	No
1. Do you request a hearing? .....	<input type="checkbox"/>	<input type="checkbox"/>
2. Do you admit the facts stated in the complaint? .....	<input type="checkbox"/>	<input type="checkbox"/>
If you admit some of the facts stated in the complaint, but deny others, please specify: (space for answer)		
3. Are there any defenses or explanations which you believe the commission should consider? .....	<input type="checkbox"/>	<input type="checkbox"/>
If so, please specify: (space for answer)		
4. Do you wish to state any legal objections to the complaint? .....	<input type="checkbox"/>	<input type="checkbox"/>
If so, please specify: (space for answer)		

Note: If you fail to file two copies of this form as specified, the commission may proceed upon the complaint without a hearing.

Sec. 33. NRS 465.070 is hereby amended to read as follows:

465.070 It is unlawful for any person:

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

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

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

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

5. To place or increase a bet after acquiring knowledge of the outcome

of the game or other event which is the subject of the bet, including past-posting and pressing bets.

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

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

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

9. *To change or alter the normal outcome of any game played on an interactive gaming system or the way in which the outcome is reported to any participant in the game.*

Sec. 34. 1. The Nevada gaming commission shall, on or before January 1, 2003, adopt regulations to carry out the amendatory provisions of section 16 of this act and transmit a copy of those regulations to each county and city licensing authority that issues work permits to work as a gaming employee.

2. The amendatory provisions of sections 13 and 16 of this act apply to any work permit to work as a gaming employee that is issued by the state gaming control board or a county or city licensing authority on or after January 1, 2003.

3. On or after January 1, 2003, a county or city licensing authority is prohibited from issuing a work permit to work as a gaming employee that does not comply with the provisions of this act and the regulations adopted by the Nevada gaming commission.

4. A work permit to work as a gaming employee that was issued before January 1, 2003, is valid until it expires or is revoked in accordance with the provisions of NRS 463.335 that remain in effect until January 1, 2003.

Sec. 35. The amendatory provisions of this act do not apply to offenses committed before July 1, 2001.

Sec. 36. 1. This section and sections 28 to 32, inclusive, of this act become effective upon passage and approval.

2. Sections 16 and 34 of this act become effective upon passage and approval for purposes related to the adoption and dissemination of regulations by the Nevada gaming commission and on January 1, 2003, for all other purposes.

3. Sections 1 to 12, inclusive, 14, 15, 17 to 27, inclusive, 33 and 35 of this act become effective on July 1, 2001.

4. Section 13 of this act becomes effective on January 1, 2003.”

Amend the title of the bill to read as follows:

“AN ACT relating to gaming; authorizing the Nevada gaming commission to adopt regulations governing the licensing and operation of interactive gaming if the commission first makes certain determinations; providing that a license to operate interactive gaming may be issued only to resort hotels or certain other establishments holding nonrestricted licenses; providing for certain license fees relating to interactive gaming; providing that gross revenue received from interactive gaming is subject to taxation in the same manner as gross revenue received from other games; exempting the operation of interactive gaming from certain other fees and taxes; revising the computation of interest payable by the commission on the overpayment of certain fees and taxes; prohibiting a person from operating interactive gaming until the commission adopts regulations and unless the person procures and maintains all licenses required pursuant to the regulations; providing for the enforceability of gaming debts incurred pursuant to an interactive gaming system; providing for the licensure and regulation of manufacturers of interactive gaming systems and manufacturers of equipment associated with interactive gaming; revising provisions relating to persons who acquire a certain beneficial ownership in a publicly traded corporation registered with the commission; revising the definitions of “gaming employee” and “manufacturer” for the purposes of the Nevada Gaming Control Act; revising provisions governing applications for restricted licenses; providing for the issuance of statewide work permits for gaming employees; establishing a maximum fee for the issuance of such work permits; revising various provisions governing the listing, investigation and disqualification of personnel of a labor organization for gaming employees; prohibiting certain fraudulent acts concerning gaming; providing penalties; and providing other matters properly relating thereto.”

Amend the summary of the bill to read as follows:

“SUMMARY—Enacts provisions governing licensing and operation of interactive gaming and revises various provisions relating to gaming. (BDR 41-244)”

Assemblyman Anderson moved that the Assembly adopt the report of the first Conference Committee concerning Assembly Bill No. 466.

Remarks by Assemblyman Anderson.

Motion carried.

#### CONSIDERATION OF SENATE AMENDMENTS

Assembly Bill No. 664.

The following Senate amendment was read:

Amendment No. 1221.

Amend the bill as a whole by adding new sections designated sections 14.3 through 14.7, following sec. 14, to read as follows:

“Sec. 14.3. Chapter 396 of NRS is hereby amended by adding thereto the provisions set forth as sections 14.5 and 14.7 of this act.

Sec. 14.5. *District 11 consists of, in Washoe County:*

1. *Census tracts 001400, 001901, 001902, 002603, 002604, 002605, 002606, 002607, 002701, 002702, 002801, 002802, 002901, 002902,*