

THE NINETY-SIXTH DAY

CARSON CITY (Friday), May 8, 2009

Senate called to order at 12:04 p.m.

President pro Tempore Schneider presiding.

Roll called.

All present.

Prayer by the Chaplain, Pastor Jack Negrete.

Heavenly Father, we thank You this morning. Thank You for Your grace and for Your presence in this room. Today, Lord, we ask that You will give these women and men wisdom as they deliberate and make decisions, today, on behalf of the citizens of this great State.

Lord, we ask You to align our hearts and our minds with Your perfect will for our lives so that we may be pleasing to You in all we do and all we decide.

These things we ask in the Name of Jesus Christ, Your Son.

AMEN.

Pledge of Allegiance to the Flag.

Senator Horsford moved that further reading of the Journal be dispensed with, and the President pro Tempore and Secretary be authorized to make the necessary corrections and additions.

Motion carried.

REPORTS OF COMMITTEES

Mr. President pro Tempore:

Your Committee on Energy, Infrastructure and Transportation, to which were referred Assembly Bills Nos. 372, 441, 455; Assembly Joint Resolution No. 10, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MICHAEL A. SCHNEIDER, *Chair*

Mr. President pro Tempore:

Your Committee on Finance, to which was referred Senate Bill No. 408, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BERNICE MATHEWS, *Cochair*

Mr. President pro Tempore:

Your Committee on Government Affairs, to which were referred Assembly Bills Nos. 289, 301, 305, 306, 352, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JOHN J. LEE, *Chair*

Mr. President pro Tempore:

Your Committee on Health and Education, to which were referred Assembly Bills Nos. 6, 14, 112, 121, 196, 219, 428, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Health and Education, to which was referred Assembly Bill No. 425, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

VALERIE WIENER, *Chair*

Mr. President pro Tempore:

Your Committee on Judiciary, to which were referred Assembly Bills Nos. 472, 481, 512, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Judiciary, to which was referred Assembly Bill No. 432, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

TERRY CARE, *Chair*

Mr. President pro Tempore:

Your Committee on Legislative Operations and Elections, to which was referred Assembly Bill No. 41, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JOYCE WOODHOUSE, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, May 6, 2009

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day passed Senate Bills Nos. 49, 91, 129, 220, 280, 300, 304, 307, 335, 343, 348.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bill No. 337.

Also, I have the honor to inform your honorable body that the Assembly amended, and on this day passed, as amended, Senate Bill No. 45, Amendment No. 587; Senate Bill No. 142, Amendment No. 589; Senate Bill No. 164, Amendment No. 586, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Assembly on this day adopted Senate Concurrent Resolutions Nos. 30, 31, 32.

Also, I have the honor to inform your honorable body that the Assembly on this day adopted Assembly Concurrent Resolution No. 32.

DIANE M. KEETCH

Assistant Chief Clerk of the Assembly

MOTIONS, RESOLUTIONS AND NOTICES

By Senators Raggio, Amodei, Breedon, Care, Carlton, Cegavske, Coffin, Copening, Hardy, Horsford, Lee, Mathews, McGinness, Nolan, Parks, Rhoads, Schneider, Townsend, Washington, Wiener, Woodhouse; Assemblymen Gansert, Aizley, Anderson, Arberry, Atkinson, Bobzien, Buckley, Carpenter, Christensen, Claborn, Cobb, Conklin, Denis, Dondero Loop, Goedhart, Goicoechea, Grady, Gustavson, Hambrick, Hardy, Hogan, Horne, Kihuen, Kirkpatrick, Koivisto, Leslie, Manendo, Mastroluca, McArthur, McClain, Mortenson, Munford, Ocegüera, Ohrenschall, Parnell, Pierce, Segerblom, Settelmeyer, Smith, Spiegel, Stewart and Woodbury:

Senate Concurrent Resolution No. 33—Recognizing Nicholas Clayton Stevens as the 2008 Children's Miracle Network Miracle Child for Nevada.

WHEREAS, Each year a child is selected from each state in the United States and each province and territory in Canada to bring attention to the 17 million children treated annually by Children's Miracle Network hospitals for every disease and injury imaginable; and

WHEREAS, The Champions Across America program honors these remarkable children who have triumphed despite severe medical challenges, and the selected children act as ambassadors, meeting local and national leaders and participating in the national television production of the "Children's Miracle Network Celebration," an annual fundraising event; and

WHEREAS, Nicholas Clayton Stevens was chosen as the 2008 Children's Miracle Network Miracle Child for Nevada; and

WHEREAS, Nicholas was born 10 weeks premature with esophageal atresia and tracheoesophageal fistula and spent his first 9 weeks in intensive care at Renown Regional Medical Center, the only Children's Miracle Network hospital in Northern Nevada; and

WHEREAS, The condition results from the esophagus ending without connecting to the stomach and being attached to the trachea, leaving no way for food from the mouth to reach the stomach and allowing air into the stomach and liquids into the lungs; and

WHEREAS, Nicholas would vomit anytime he was lain down in a horizontal position, until surgery at 11 months corrected this problem and finally made it possible for Nicholas to sleep and have his diapers changed while lying down; and

WHEREAS, At 24 months of age, Nicholas was also diagnosed with cyclical vomiting syndrome, characterized by recurrent attacks of nausea, vomiting and exhaustion; and

WHEREAS, Having undergone 20 surgeries and more than 30 hospital admissions during his first 5 years of life, "Nicky" is now 11 years old but the size of a 7-year-old, and his favorite t-shirt has the slogan, "Small but Mighty," summing him up well; and

WHEREAS, Well-mannered, compassionate and caring to all, Nicholas is also highly energetic, quite skilled in playing the piano and acoustic guitar, enjoys snow skiing, golfing, origami and martial arts and received his black belt in May 2008; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the members of the Nevada Legislature hereby recognize Nicholas Clayton Stevens as the 2008 Children's Miracle Network Miracle Child for Nevada; and be it further

RESOLVED, That Renown Regional Medical Center selected Nicholas for this honor in light of the exceptional strength, courage and hope he has demonstrated; and be it further

RESOLVED, That in appreciation for all that has been done for millions of children like Nicholas, the residents of Nevada are urged to show their support for the Children's Miracle Network and the nonprofit children's hospitals that depend on communities to help fund the vital services they offer to brave children everywhere; and be it further

RESOLVED, That the Secretary of the Senate prepare and transmit a copy of this resolution to Nicholas Clayton Stevens.

Senator Raggio moved the adoption of the resolution.

Remarks by Senator Raggio.

Senator Raggio requested that his remarks be entered in the Journal.

Though this year's Miracle Network Child for Nevada was unable to be here, today, because of the change in our schedule, I would like to talk about Nicholas so that you might learn about this program.

The Champions Across America Program honors children who have undergone difficult medical problems. None of us can imagine what these children have gone through. A child is selected from each state and a province and territory in Canada to bring attention to the 17 million children treated annually by the Children's Miracle Network Hospitals. Nicholas Clayton Stevens was chosen as the 2008 Children's Miracle Network Miracle Child for Nevada.

He was born ten weeks premature with esophageal atresia and tracheoesophageal fistula. He spent his first nine weeks at Renown Regional Medical Center in intensive care. It is the only Children's Miracle Network Hospital in northern Nevada. His esophagus ended without connecting to the stomach. It was attached to the trachea leaving no way for food from the mouth to reach the stomach. That allowed air into the stomach and liquid into the lungs. Imagine surviving under those circumstances.

Nicholas would vomit anytime he was laid down. At 11 months of age, surgery somewhat corrected this problem and made it possible for him to sleep and have his diapers changed while lying down. These were things he could not do before.

When he was two years old, he was diagnosed with cyclical vomiting syndrome. During the first 5 years of his life, he had 20 surgeries and more than 30 hospital admissions.

Today, he is 11 years old and is the size of a 7 year old. His t-shirt has a slogan that says, "Small but Mighty." He is energetic. He is skilled in playing the piano, acoustic guitar and skis, golfs and received his Black Belt in May 2008. He is typical of children across this Country.

This resolution recognizes his selection as the Children's Miracle Network Miracle Child for Nevada, 2008. We appreciate all that has been done for the millions of children just like Nicholas. I am sorry he could not be with us today. I ask the body to approve this resolution today.

Resolution adopted.

Senator Raggio moved that all necessary rules be suspended and that Senate Concurrent Resolution No. 33 be immediately transmitted to the Assembly.

Motion carried unanimously.

By Senators Cegavske, Amodei, Breeden, Care, Carlton, Coffin, Copening, Hardy, Horsford, Lee, Mathews, McGinness, Nolan, Parks, Raggio, Rhoads, Schneider, Townsend, Washington, Wiener, Woodhouse; Assemblymen Goedhart, Aizley, Anderson, Arberry, Atkinson, Bobzien, Buckley, Carpenter, Christensen, Claborn, Cobb, Conklin, Denis, Dondero Loop, Gansert, Goicoechea, Grady, Gustavson, Hambrick, Hardy, Hogan, Horne, Kihuen, Kirkpatrick, Koivisto, Leslie, Manendo, Mastroluca, McArthur, McClain, Mortenson, Munford, Ocegüera, Ohrenschall, Parnell, Pierce, Segerblom, Settlemeyer, Smith, Spiegel, Stewart and Woodbury:

Senate Concurrent Resolution No. 34—Memorializing veteran, visionary and community builder Robert A. Swadell.

WHEREAS, Where others saw obstacles, longtime Nevada resident and veteran Robert Swadell saw opportunities, and his pioneering vision continues to shape the communities of Henderson and Pahrump; and

WHEREAS, The son of a military chaplain, Robert was born on June 18, 1931, in Fort Bragg, California, and graduated from Balboa High School in Panama, the University of Nebraska at Omaha and the Armed Forces Staff College in Norfolk, Virginia; and

WHEREAS, After combat tours in Korea and Vietnam, he retired in 1972 as a lieutenant colonel but continued to work in communications and intelligence as a civilian; and

WHEREAS, Although this great Nevadan's life and career took him to many places across the globe, Henderson became his home in 1975, where he began nearly three decades of public service and community building by serving on committees that oversaw the construction of the city's convention center, main administrative offices, emergency service headquarters and an animal shelter, and he was integral to the launch of the Lake Las Vegas project as well as the creation of the city's Veterans Memorial Wall; and

WHEREAS, Even before Robert moved to Pahrump in 2004 with his wife Mary, he had begun to unleash his community-building expertise on that burgeoning area by advocating safety improvements on the highway between Pahrump and Las Vegas as well as a boundary change with Clark County that ensured all of Pahrump's private land was located in Nye County; and

WHEREAS, His service to Pahrump included over 12 years of steadfast involvement in the town's push for a community college campus; and

WHEREAS, Robert was preceded in death by his brothers Carl and Eric, and is survived by his wife of 52 years, Mary, his sister Mary Rose Shelton and her husband George, sisters-in-law Loyd Beth and Joice, nieces Karen, Debbie, Laura and Sally, and nephews Steven, Carl Eric, David, Mark and Eric, as well as many grandnieces and grandnephews; and

WHEREAS, His legacy is recognized and revered by the communities he served, and the justice center on Water Street in Henderson graces his name; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the members of the 75th Session of the Nevada Legislature hereby express their sorrow over Robert's passing on March 15, 2009, and their sincere condolences to the family and friends of Robert Swadell; and be it further

RESOLVED, That this honorable veteran will be remembered by all as a frontiersman who always saw potential and worked devotedly for the prosperity of his community and well-being of his neighbors; and be it further

RESOLVED, That the Secretary of the Senate prepare and transmit a copy of this resolution to Robert's wife Mary.

Senator Cegavske moved the adoption of the resolution.

Remarks by Senators Cegavske and McGinness.

Senator Cegavske requested that the following remarks be entered in the Journal.

SENATOR CEGAVSKE:

It is my great pleasure to have introduced this resolution in honor of Bob Swadell. We lost Bob; he was a true American. One of the things his parents taught him was the importance of giving back. His parents were both immigrants. One was from Denmark, and one was from Canada. They expressed to him how important it was to make certain that whatever he was given, he should remember to give back because America is a great place to be. Bob Swadell was our shining example.

Every so often, a special person comes to a community, who sees a need, and freely gives their time and energy to making a difference with a goal to simply make life better for the community.

This was the fortunate gift that came to southern Nevada with the arrival of Robert "Bob" A. Swadell, whose military background taught him how to take charge and whose innovative thinking helped bring projects to fruition.

He was always thinking of how to make things better. Many individuals, friends and public officials would call him for advice about personal matters or how to present ideas on a public project. He took those calls, even up to nearly his last day, giving words of encouragement such as, "keep your head held high," or "do what you think is right no matter what others think."

I had the fortune to have Bob Swadell call me. I did not know at that time who he was. He called to talk about an issue that was important to him. That was higher education. He had heard about my passion for education and wanted to talk to me about what he saw in the future for Pahrump and what he had done in Henderson. It was my pleasure to drive out to Pahrump to meet him and to find out what he was all about. I enjoyed every meeting I had with him; every telephone call, I took eagerly. I learned so much from Bob. I never knew his party affiliation. I did not care. I liked and respected him. Bob came to the Legislature in 2007 to testify about the need for a Community College campus in Pahrump. He had worked many years on this project and provided information for a federal bill that is currently in Congress to donate 280 acres of federal land for the Pahrump Great Basin College campus. Just last year, he was honored with the 2008 Great Basin College Community Service Award.

The communities of Henderson and Pahrump are particular beneficiaries of the tireless efforts of Bob Swadell. He helped get a Veterans' Memorial Wall Built, saved on construction costs for a justice facility named in his honor and provided information to the Highway Department resulting in the decision to build a four-lane highway from Las Vegas to Pahrump instead of widening the shoulders on the existing two-lane highway.

He was described by acquaintances as a patriot, leader, resourceful, selfless and truly dedicated. He admired President Theodore Roosevelt who was raised in a home that taught selflessness, kindness, productivity and truthfulness; principles similar to those followed by Bob Swadell during his lifetime.

I would like to read a quote from President Theodore Roosevelt that I feel describes the characteristics of our friend, Robert A. Swadell, whose devotion to his Country and his community provides a lasting example of his dedication and efforts to create a better community for those of us who remain.

"It is not the critic who counts, not the man who points out how the strong man stumbled, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause; who, at

best, knows in the end the triumph of high achievement and who, at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold timid souls who know neither victory nor defeat."

SENATOR MCGINNESS:

Thank you, Mr. President Pro Tempore. I did not know Bob well, but he demanded that you know him well. I did not know he was a Lt. Colonel, but now that I do, it explains a lot. He was a take-charge type of person. He was always working on the Community College. When I went to Pahrump for Lincoln Day Dinners or campaigning, he would always want to meet with me because he had an issue to discuss. Governor Guinn was in Pahrump for a Lincoln Day Dinner, and he talked to him about the Community College.

They wanted to move the county line in Nye County, and Bob talked to me about it. Moving the county line, especially trying to take some of Clark County's acreage, I thought what a box he had placed me in, but he kept pushing. We moved the county line. Those are the types of things Bob did. We will miss his telephone calls.

Resolution adopted.

Senator Cegavske moved that all necessary rules be suspended and that Senate Concurrent Resolution No. 34 be immediately transmitted to the Assembly.

Motion carried unanimously.

Assembly Concurrent Resolution No. 32—Urging Congress to provide financial assistance for the repair of the Truckee Canal.

WHEREAS, The Federal Reclamation Act, , 32 Stat. 388, which was passed on June 17, 1902, authorized the Newlands Project, designed to irrigate thousands of acres in western-central Nevada by the construction of dams and distribution and drainage systems; and

WHEREAS, The Federal Government funded , and built the original system and still holds title to the Newlands Project and its facilities; and

WHEREAS, The Truckee-Carson Irrigation , District, chartered in 1918 to represent the water right holders within the boundaries of the Newlands Project, has operated and managed the Project since 1926 under contract with the Federal Government and generates the money necessary to pay for all operation and maintenance costs; and

WHEREAS, In spite of regular , inspections, a break that was likely caused by burrowing rodents occurred in January 2008 in the Truckee Canal, a major distribution canal in the system, and the flooding that resulted from that break caused considerable damage to 580 homes in a housing development downstream which was declared a federal and state disaster area; and

WHEREAS, The Truckee Canal must be , repaired to prevent future flooding and to restore the full flow of water because the court-ordered drastically reduced flow, which is well below capacity, is creating an artificial drought which places in jeopardy the welfare and livelihood of farmers, homeowners, Native American tribes, state and federal governmental entities, municipal and industrial interests, the military facility and wildlife within the boundaries of the Newlands Project; and

WHEREAS, A planned governmental or , environmental study that would delay repairs for 3 to 5 years is not a viable option because the farmers cannot farm with years of reduced water delivery, nor can the cities of Fallon and Fernley and the surrounding areas continue to function efficiently without relief; and

WHEREAS, Because the Newlands Project , is a federal reclamation project, the repair of the Canal should be the obligation of the Federal Government; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the members of the Nevada Legislature hereby urge Congress to provide financial assistance for the repair of the Truckee Canal; and be it further

RESOLVED, That the Chief Clerk of the Assembly prepare and transmit a copy of this resolution to the President of the United States, the Vice President of the United States as the

presiding officer of the United States Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation.

Resolution read.

Senator McGinness moved the adoption of the resolution.

Remarks by Senator McGinness.

Senator McGinness requested that his remarks be entered in the Journal.

The Newlands Project was a simple idea—irrigate more than 400,000 acres of land in western Nevada using the combined waters of the Truckee and Carson Rivers. A small dam would be constructed at the outlet of Lake Tahoe, the source of the Truckee River, to control releases into the river; while downstream, another dam would divert the water into the Carson River, where the combined flows would enter the 30-plus mile long Truckee Canal and transform a dry desert into an agricultural oasis.

Work on the Truckee-Carson Project began in mid-1903: the federal government, through a combination of purchases and eminent domain, funded and built the original system and still holds title to the Newlands Project and its facilities. Since 1926, the Truckee-Carson Irrigation District has operated and managed the Project under contract to the federal government.

Despite regular inspections, on a frigid, early morning in January last year, the century-old earthen canal gave way—sending a 2-foot wave through a 40-foot opening into the streets of Fernley. Water flowed through the breach for up to nine hours, collecting eight feet deep in some spots, and required residents to be rescued by helicopter from rooftops, while others escaped in boats. Five hundred and eighty homes were damaged, and the town was declared a federal and state disaster area.

After investigation, the likely cause was erosion from burrowing rodents—muskrats. One of the burrows found after the flood subsided was more than 25 feet deep.

The Truckee Canal serves over 3,000 Nevada customers, who rely on its water delivery. However, because the Bureau of Reclamation has not settled upon a plan to permanently repair the Canal, water flows through the Canal have been reduced, by court order, to levels well below what is needed to maintain downstream users: early estimates were that Truckee Division users would receive only 90 percent of their normal supply, and users in the Carson Division would receive only about 75 percent of their normal supply. Given the below-average snowfall this year, it is doubtful that even this reduced level of supply can be reached. At the same time, without a permanent repair, Fernley residents remain fearful of another breach.

This resolution urges Congress to provide the State of Nevada with financial assistance to permanently repair the Truckee Canal, promptly. Initial estimates are that permanent upgrades to the entire system will cost in the hundreds of millions of dollars. Senator Reid has obtained a \$2.5 million dollar appropriation to fund a Bureau of Reclamation study to determine the best method of repair—the study is estimated to take two to three years. Meanwhile, the Truckee Canal Irrigation District insists that it could construct a concrete barrier along 11 miles of the canal at the breach site, which would allow flows to resume at normal levels quickly; a plan that Reclamation does not accept.

Regardless of who is correct, the federal government as owner of the Newland Project and its facilities is legally and morally obligated to redress this problem, sooner, rather than later. The artificial drought, caused by reducing water flows through the Canal, is creating a devastating hardship for western Nevada residents and farmers that cannot be sustained. They need their water supply restored, now, not four or five years from now. Without water, the Lahontan Valley will return to the barren desert of a century ago. I urge your support.

Resolution adopted.

Resolution ordered transmitted to the Assembly.

Senator Care moved that Assembly Bills Nos. 29, 47, 48, 49, 71, 85, 97, 122, 168, 174, 176, 177, 194, 209, 213, 230, 231, 242, 248, 257, 259, 274,

311, 353, 362, 364, 389, 410, 415, 429, 459, 475, 499, 516 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 337.

Senator Care moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

SECOND READING AND AMENDMENT

Assembly Bill No. 24.

Bill read second time.

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

Amendment No. 599.

"SUMMARY—Revises provisions governing claims for compensation under industrial insurance. (BDR 53-423)"

"AN ACT relating to industrial insurance; revising provisions relating to the duty of an insurer to accept or deny a claim for compensation; revising provisions relating to the selection of a physician or chiropractor by an injured employee; revising provisions relating to the denial of compensation due to discharge from employment for misconduct; revising provisions relating to the closure of a claim; repealing provisions requiring the reduction of compensation by the amount of federal disability insurance benefits received by an injured employee; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, an insurer is required to accept or deny a claim for compensation within 30 days after the insurer has been notified of an industrial accident. (NRS 616C.065) Section 2 of this bill provides that if an insurer is ordered by the Administrator of the Division of Industrial Relations of the Department of Business and Industry, a hearing or appeals officer, a district court or the Supreme Court of Nevada to make a new determination relating to a claim for compensation, such a determination must be made within 30 days after the order.

Existing law provides that an injured employee may choose an alternative treating physician or chiropractor after making his initial choice if the alternative choice is made within 90 days after the injury. (NRS 616C.090) Section 3 of this bill clarifies existing law by providing that an injured employee may make the alternative choice without the insurer's approval if the alternative choice is made within 90 days after the injury. Section 3 also provides that an injured employee may make a change in the treating physician or chiropractor at any time, subject to the insurer's approval. Section 3 further requires an insurer to provide to an injured employee whose

request for a change in the treating physician or chiropractor has been denied the specific reason for the denial.

Section 4 of this bill provides that the affidavit or declaration of a qualified laboratory director, chemist or any other person meeting certain qualifications may be used to prove the existence of alcohol or controlled substances in an employee's system in denying, reducing or suspending the payment of compensation for an injury. (NRS 616C.230)

Section 5 of this bill revises existing provisions governing the denial of compensation to injured employees who have been discharged for misconduct by providing that only compensation for temporary total disability may be denied. (NRS 616C.232)

Section 5.5 of this bill revises existing law by requiring an insurer to notify an injured employee whose claim will be closed whether an evaluation for a permanent partial disability has been scheduled or, if such an evaluation has not been scheduled, that the reason is because the insurer determined there is no possibility of a permanent impairment of any kind. (NRS 616C.235)

Section 9 of this bill repeals the provisions requiring a reduction in the compensation received by an employee for temporary disability, permanent partial disability or permanent total disability by the amount of federal disability insurance benefits received by the employee. (NRS 616C.430)

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

Section 1. NRS 616C.050 is hereby amended to read as follows:

616C.050 1. An insurer shall provide to each claimant:

(a) Upon written request, one copy of any medical information concerning his injury or illness.

(b) A statement which contains information concerning the claimant's right to:

- (1) Receive the information and forms necessary to file a claim;
- (2) Select a treating physician or chiropractor and an alternative treating physician or chiropractor in accordance with the provisions of NRS 616C.090;
- (3) Request the appointment of the Nevada Attorney for Injured Workers to represent him before the appeals officer;
- (4) File a complaint with the Administrator;
- (5) When applicable, receive compensation for:
 - (I) Permanent total disability;
 - (II) Temporary total disability;
 - (III) Permanent partial disability;
 - (IV) Temporary partial disability;
 - (V) All medical costs related to his injury or disease; or
 - (VI) The hours he is absent from the place of employment to receive medical treatment pursuant to NRS 616C.477;
- (6) Receive services for rehabilitation if his injury prevents him from returning to gainful employment;

(7) Review by a hearing officer of any determination or rejection of a claim by the insurer within the time specified by statute; and

(8) Judicial review of any final decision within the time specified by statute.

2. The insurer's statement must include a copy of the form designed by the Administrator pursuant to subsection ~~{7}~~ 8 of NRS 616C.090 that notifies injured employees of their right to select an alternative treating physician or chiropractor. The Administrator shall adopt regulations for the manner of compliance by an insurer with the other provisions of subsection 1.

Sec. 2. NRS 616C.065 is hereby amended to read as follows:

616C.065 1. Except as otherwise provided in NRS 616C.136, within 30 days after the insurer has been notified of an industrial accident, every insurer shall:

(a) Accept a claim for compensation, notify the claimant or the person acting on behalf of the claimant that the claim has been accepted and commence payment of the claim; or

(b) Deny the claim and notify the claimant or the person acting on behalf of the claimant and the Administrator that the claim has been denied.

2. *If an insurer is ordered by the Administrator, a hearing officer, an appeals officer, a district court or the Supreme Court of Nevada to make a new determination, including, without limitation, a new determination regarding the acceptance or denial of a claim for compensation, the insurer shall make the new determination within 30 days after the date on which the insurer has been ordered to do so.*

3. Payments made by an insurer pursuant to this section are not an admission of liability for the claim or any portion of the claim.

~~{3-}~~ 4. Except as otherwise provided in this subsection, if an insurer unreasonably delays or refuses to pay the claim within 30 days after the insurer has been notified of an industrial accident, the insurer shall pay upon order of the Administrator an additional amount equal to three times the amount specified in the order as refused or unreasonably delayed. This payment is for the benefit of the claimant and must be paid to him with the compensation assessed pursuant to chapters 616A to 617, inclusive, of NRS. The provisions of this section do not apply to the payment of a bill for accident benefits that is governed by the provisions of NRS 616C.136.

~~{4-}~~ 5. The insurer shall notify the claimant or the person acting on behalf of the claimant that a claim has been accepted or denied pursuant to subsection 1 *or* 2 by:

(a) Mailing its written determination to the claimant or the person acting on behalf of the claimant; and

(b) If the claim has been denied, in whole or in part, obtaining a certificate of mailing.

~~{5-}~~ 6. The failure of the insurer to obtain a certificate of mailing as required by paragraph (b) of subsection ~~{4}~~ 5 shall be deemed to be a failure

of the insurer to mail the written determination of the denial of a claim as required by this section.

~~{6.}~~ 7. Upon request, the insurer shall provide a copy of the certificate of mailing, if any, to the claimant or the person acting on behalf of the claimant.

~~{7.}~~ 8. For the purposes of this section, the insurer shall mail the written determination to:

(a) The mailing address of the claimant or the person acting on behalf of the claimant that is provided on the form prescribed by the Administrator for filing the claim; or

(b) Another mailing address if the claimant or the person acting on behalf of the claimant provides to the insurer written notice of another mailing address.

~~{8.}~~ 9. As used in this section, "certificate of mailing" means a receipt that provides evidence of the date on which the insurer presented its written determination to the United States Postal Service for mailing.

Sec. 3. NRS 616C.090 is hereby amended to read as follows:

616C.090 1. The Administrator shall establish a panel of physicians and chiropractors who have demonstrated special competence and interest in industrial health to treat injured employees under chapters 616A to 616D, inclusive, or chapter 617 of NRS. Every employer whose insurer has not entered into a contract with an organization for managed care or with providers of health care services pursuant to NRS 616B.527 shall maintain a list of those physicians and chiropractors on the panel who are reasonably accessible to his employees.

2. An injured employee whose employer's insurer has not entered into a contract with an organization for managed care or with providers of health care services pursuant to NRS 616B.527 may choose his treating physician or chiropractor from the panel of physicians and chiropractors. If the injured employee is not satisfied with the first physician or chiropractor he so chooses, he may make an alternative choice of physician or chiropractor from the panel if the choice is made within 90 days after his injury. The insurer shall notify the first physician or chiropractor in writing. The notice must be postmarked within 3 working days after the insurer receives knowledge of the change. The first physician or chiropractor must be reimbursed only for the services he rendered to the injured employee up to and including the date of notification. Except as otherwise provided in this subsection, any further change is subject to the approval of the insurer, which must be granted or denied within 10 days after a written request for such a change is received from the injured employee. If no action is taken on the request within 10 days, the request shall be deemed granted. Any request for a change of physician or chiropractor must include the name of the new physician or chiropractor chosen by the injured employee. If the treating physician or chiropractor refers the injured employee to a specialist for treatment, the treating physician or chiropractor shall provide to the injured employee a list that includes the name of each physician or chiropractor with

that specialization who is on the panel. After receiving the list, the injured employee shall, at the time the referral is made, select a physician or chiropractor from the list.

3. An injured employee whose employer's insurer has entered into a contract with an organization for managed care or with providers of health care services pursuant to NRS 616B.527 must choose his treating physician or chiropractor pursuant to the terms of that contract. If the injured employee is not satisfied with the first physician or chiropractor he so chooses, he may make an alternative choice of physician or chiropractor pursuant to the terms of the contract *without the approval of the insurer* if the choice is made within 90 days after his injury. If the injured employee, after choosing his treating physician or chiropractor, moves to a county which is not served by the organization for managed care or providers of health care services named in the contract and the insurer determines that it is impractical for the injured employee to continue treatment with the physician or chiropractor, the injured employee must choose a treating physician or chiropractor who has agreed to the terms of that contract unless the insurer authorizes the injured employee to choose another physician or chiropractor. If the treating physician or chiropractor refers the injured employee to a specialist for treatment, the treating physician or chiropractor shall provide to the injured employee a list that includes the name of each physician or chiropractor with that specialization who is available pursuant to the terms of the contract with the organization for managed care or with providers of health care services pursuant to NRS 616B.527, as appropriate. After receiving the list, the injured employee shall, at the time the referral is made, select a physician or chiropractor from the list. If the employee fails to select a physician or chiropractor, the insurer may select a physician or chiropractor with that specialization. If a physician or chiropractor with that specialization is not available pursuant to the terms of the contract, the organization for managed care or the provider of health care services may select a physician or chiropractor with that specialization.

4. *If the injured employee is not satisfied with the physician or chiropractor selected by himself or by the insurer, the organization for managed care or the provider of health care services pursuant to subsection 3, the injured employee may make an alternative choice of physician or chiropractor pursuant to the terms of the contract. A change in the treating physician or chiropractor may be made at any time but is subject to the approval of the insurer, which must be granted or denied within 10 days after a written request for such a change is received from the injured employee. If no action is taken on the request within 10 days, the request shall be deemed granted. Any request for a change of physician or chiropractor must include the name of the new physician or chiropractor chosen by the injured employee. If the insurer denies a request for a change in the treating physician or chiropractor under this subsection, the insurer*

must include in a written notice of denial to the injured employee the specific reason for the denial of the request.

5. Except when emergency medical care is required and except as otherwise provided in NRS 616C.055, the insurer is not responsible for any charges for medical treatment or other accident benefits furnished or ordered by any physician, chiropractor or other person selected by the injured employee in disregard of the provisions of this section or for any compensation for any aggravation of the injured employee's injury attributable to improper treatments by such physician, chiropractor or other person.

~~{5-}~~ 6. The Administrator may order necessary changes in a panel of physicians and chiropractors and shall suspend or remove any physician or chiropractor from a panel for good cause shown.

~~{6-}~~ 7. An injured employee may receive treatment by more than one physician or chiropractor if the insurer provides written authorization for such treatment.

~~{7-}~~ 8. The Administrator shall design a form that notifies injured employees of their right pursuant to subsections 2, ~~and~~ 3 and 4 to select an alternative treating physician or chiropractor and make the form available to insurers for distribution pursuant to subsection 2 of NRS 616C.050.

Sec. 4. NRS 616C.230 is hereby amended to read as follows:

616C.230 1. Compensation is not payable pursuant to the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS for an injury:

(a) Caused by the employee's willful intention to injure himself.

(b) Caused by the employee's willful intention to injure another.

(c) Proximately caused by the employee's intoxication. If the employee was intoxicated at the time of his injury, intoxication must be presumed to be a proximate cause unless rebutted by evidence to the contrary.

(d) Proximately caused by the employee's use of a controlled substance. If the employee had any amount of a controlled substance in his system at the time of his injury for which the employee did not have a current and lawful prescription issued in his name or that he was not using in accordance with the provisions of chapter 453A of NRS, the controlled substance must be presumed to be a proximate cause unless rebutted by evidence to the contrary.

2. For the purposes of paragraphs (c) and (d) of subsection 1:

(a) The affidavit or declaration of an expert or other person described in NRS 50.310, 50.315 or 50.320 is admissible to prove the existence of any alcohol or the existence, quantity or identity of a controlled substance in an employee's system. If the affidavit or declaration is to be so used, it must be submitted in the manner prescribed in NRS 616C.355.

(b) When an examination requested or ordered includes testing for the use of alcohol or a controlled substance, the laboratory that conducts the testing must be licensed pursuant to the provisions of chapter 652 of NRS.

3. No compensation is payable for the death, disability or treatment of an employee if his death is caused by, or insofar as his disability is aggravated, caused or continued by, an unreasonable refusal or neglect to submit to or to follow any competent and reasonable surgical treatment or medical aid.

4. If any employee persists in an unsanitary or injurious practice that imperils or retards his recovery, or refuses to submit to such medical or surgical treatment as is necessary to promote his recovery, his compensation may be reduced or suspended.

5. An injured employee's compensation, other than accident benefits, must be suspended if:

(a) A physician or chiropractor determines that the employee is unable to undergo treatment, testing or examination for the industrial injury solely because of a condition or injury that did not arise out of and in the course of his employment; and

(b) It is within the ability of the employee to correct the nonindustrial condition or injury.

↪ The compensation must be suspended until the injured employee is able to resume treatment, testing or examination for the industrial injury. The insurer may elect to pay for the treatment of the nonindustrial condition or injury.

Sec. 5. NRS 616C.232 is hereby amended to read as follows:

616C.232 1. If an injured employee is discharged from his employment as a result of misconduct, an insurer may deny compensation *for temporary total disability* to the injured employee because of that discharge for misconduct only if the insurer proves by a preponderance of the evidence that:

(a) The injured employee was discharged from his employment solely for his misconduct and not for any reason relating to his claim for compensation; and

(b) It is the injured employee's discharge from his employment for misconduct, and not his injury, that is the sole cause for the injured employee's inability to return to work with the preinjury employer.

2. An insurer waives its rights under subsection 1 if the insurer does not make a determination to deny or suspend compensation to the injured employee within 70 days after the date on which the insurer learns that the injured employee has been discharged for misconduct.

3. *An insurer may not deny any compensation pursuant to this section except for compensation for temporary total disability pursuant to subsection 1.*

Sec. 5.5. NRS 616C.235 is hereby amended to read as follows:

616C.235 1. Except as otherwise provided in subsections 2, 3 and 4:

(a) When the insurer determines that a claim should be closed before all benefits to which the claimant may be entitled have been paid, the insurer shall send a written notice of its intention to close the claim to the claimant by first-class mail addressed to the last known address of the claimant and, if the insurer has been notified that the claimant is represented by an attorney,

to the attorney for the claimant by first-class mail addressed to the last known address of the attorney. The notice must include, on a separate page, a statement describing the effects of closing a claim pursuant to this section and a statement that if the claimant does not agree with the determination, he has a right to request a resolution of the dispute pursuant to NRS 616C.305 and 616C.315 to 616C.385, inclusive, including, without limitation, a statement which prominently displays the limit on the time that the claimant has to request a resolution of the dispute as set forth in NRS 616C.315. A suitable form for requesting a resolution of the dispute must be enclosed with the notice. The closure of a claim pursuant to this subsection is not effective unless notice is given as required by this subsection.

(b) If the insurer does not receive a request for the resolution of the dispute, it may close the claim.

(c) Notwithstanding the provisions of NRS 233B.125, if a hearing is conducted to resolve the dispute, the decision of the hearing officer may be served by first-class mail.

2. If, during the first 12 months after a claim is opened, the medical benefits required to be paid for a claim are less than \$300, the insurer may close the claim at any time after he sends, by first-class mail addressed to the last known address of the claimant, written notice that includes a statement which prominently displays that:

(a) The claim is being closed pursuant to this subsection;

(b) The injured employee may appeal the closure of the claim pursuant to the provisions of NRS 616C.305 and 616C.315 to 616C.385, inclusive; and

(c) If the injured employee does not appeal the closure of the claim or appeals the closure of the claim but is not successful, the claim cannot be reopened.

3. In addition to the notice described in subsection 2, an insurer shall send to each claimant who receives less than \$300 in medical benefits within 6 months after the claim is opened a written notice that explains the circumstances under which a claim may be closed pursuant to subsection 2. The written notice provided pursuant to this subsection does not create any right to appeal the contents of that notice. The written notice must be:

(a) Sent by first-class mail addressed to the last known address of the claimant; and

(b) A document that is separate from any other document or form that is used by the insurer.

4. The closure of a claim pursuant to subsection 2 is not effective unless notice is given as required by subsections 2 and 3.

5. *In addition to the requirements of this section, an insurer shall include in the written notice described in subsection 2:*

(a) If an evaluation for a permanent partial disability has been scheduled pursuant to NRS 616C.490, a statement to that effect; or

(b) If an evaluation for a permanent partial disability will not be scheduled pursuant to NRS 616C.490, a statement explaining that the reason

is because the insurer has determined there is no possibility of a permanent impairment of any kind.

Sec. 6. (Deleted by amendment.)

Sec. 7. (Deleted by amendment.)

Sec. 8. NRS 616C.475 is hereby amended to read as follows:

616C.475 1. Except as otherwise provided in this section, NRS 616C.175 and 616C.390, every employee in the employ of an employer, within the provisions of chapters 616A to 616D, inclusive, of NRS, who is injured by accident arising out of and in the course of employment, or his dependents, is entitled to receive for the period of temporary total disability, 66 2/3 percent of the average monthly wage.

2. Except as otherwise provided in NRS 616B.028 and 616B.029, an injured employee or his dependents are not entitled to accrue or be paid any benefits for a temporary total disability during the time the injured employee is incarcerated. The injured employee or his dependents are entitled to receive such benefits when the injured employee is released from incarceration if he is certified as temporarily totally disabled by a physician or chiropractor.

3. If a claim for the period of temporary total disability is allowed, the first payment pursuant to this section must be issued by the insurer within 14 working days after receipt of the initial certification of disability and regularly thereafter.

4. Any increase in compensation and benefits effected by the amendment of subsection 1 is not retroactive.

5. Payments for a temporary total disability must cease when:

(a) A physician or chiropractor determines that the employee is physically capable of any gainful employment for which the employee is suited, after giving consideration to the employee's education, training and experience;

(b) The employer offers the employee light-duty employment or employment that is modified according to the limitations or restrictions imposed by a physician or chiropractor pursuant to subsection 7; or

(c) Except as otherwise provided in NRS 616B.028 and 616B.029, the employee is incarcerated.

6. Each insurer may, with each check that it issues to an injured employee for a temporary total disability, include a form approved by the Division for the injured employee to request continued compensation for the temporary total disability.

7. A certification of disability issued by a physician or chiropractor must:

(a) Include the period of disability and a description of any physical limitations or restrictions imposed upon the work of the employee;

(b) Specify whether the limitations or restrictions are permanent or temporary; and

(c) Be signed by the treating physician or chiropractor authorized pursuant to NRS 616B.527 or appropriately chosen pursuant to subsection 3 or 4 of NRS 616C.090.

8. If the certification of disability specifies that the physical limitations or restrictions are temporary, the employer of the employee at the time of his accident may offer temporary, light-duty employment to the employee. If the employer makes such an offer, the employer shall confirm the offer in writing within 10 days after making the offer. The making, acceptance or rejection of an offer of temporary, light-duty employment pursuant to this subsection does not affect the eligibility of the employee to receive vocational rehabilitation services, including compensation, and does not exempt the employer from complying with NRS 616C.545 to 616C.575, inclusive, and 616C.590 or the regulations adopted by the Division governing vocational rehabilitation services. Any offer of temporary, light-duty employment made by the employer must specify a position that:

(a) Is substantially similar to the employee's position at the time of his injury in relation to the location of the employment and the hours he is required to work;

(b) Provides a gross wage that is:

(1) If the position is in the same classification of employment, equal to the gross wage the employee was earning at the time of his injury; or

(2) If the position is not in the same classification of employment, substantially similar to the gross wage the employee was earning at the time of his injury; and

(c) Has the same employment benefits as the position of the employee at the time of his injury.

Sec. 9. NRS 616C.430 is hereby repealed.

Sec. 10. This act becomes effective on July 1, 2009.

TEXT OF REPEALED SECTION

616C.430 Reduction of compensation by amount of federal disability insurance benefits received by employee.

1. If an employee who is entitled to compensation under chapters 616A to 616D, inclusive, of NRS for temporary total disability, permanent partial disability or permanent total disability becomes entitled to federal disability insurance benefits under section 202 or 223 of the Social Security Act, as amended, 42 U.S.C. §§ 402 and 423, respectively, the employee's compensation under chapters 616A to 616D, inclusive, of NRS must be reduced by the amount of the federal benefits being received by him.

2. This section must not be applied to reduce the employee's compensation under chapters 616A to 616D, inclusive, of NRS to any greater extent than his federal benefits would have otherwise been reduced by the Social Security Administration under section 224 of the Social Security Act, as amended, 42 U.S.C. § 424a. After any reduction pursuant to this section, the combination of his state compensation and federal benefits must be at least as much as the greater of:

(a) The benefits payable pursuant to chapters 616A to 616D, inclusive, of NRS, without the reduction; or

(b) The benefits payable under the Social Security Act, without any reduction.

3. After a reduced amount of compensation for an employee has been established pursuant to this section, no further reduction in his compensation may be made because he receives an increase in his benefits under the Social Security Act as the result of an adjustment based on an increase in the cost of living.

4. No compensation may be reduced pursuant to this section until the Social Security Administration has determined the amount of benefits payable to the employee under section 202 or 223 of the Social Security Act and he has begun to receive those benefits.

5. If an employee:

(a) Fails to report the amount of benefits which he is receiving under section 202 or 223 of the Social Security Act, within 30 days after he is requested in writing by the insurer to make that report; or

(b) Fails to provide the insurer with a written authorization for the Social Security Administration to release information on the employee's average current earnings and the amount of benefits to which he is entitled, within 30 days after he is requested to provide that authorization,

→ the insurer may reduce by 50 percent the compensation which the employee would otherwise receive pursuant to chapters 616A to 616D, inclusive, of NRS. Any compensation which is withheld pursuant to this subsection must be paid to the employee when he has furnished the report or authorization as requested.

6. If the provisions of section 224 of the Social Security Act are amended:

(a) To allow an employee to receive more compensation under chapters 616A to 616D, inclusive, of NRS without any reduction in benefits payable under section 202 or 223 of the Social Security Act; or

(b) To lower the maximum sum of compensation payable under chapters 616A to 616D, inclusive, of NRS and benefits payable under section 202 or 223 of the Social Security Act,

→ the reduction imposed by this section must be increased or decreased correspondingly.

7. No reduction in compensation may be made under this section for any period of entitlement which:

(a) Occurs before January 1, 1982;

(b) Occurs before the employee has been given a written notice by mail of the intended reduction; or

(c) Includes any week after the week in which the employee becomes 62 years of age.

Senator Carlton moved the adoption of the amendment.

Remarks by Senators Carlton and Nolan.

Senator Carlton requested that the following remarks be entered in the Journal.

SENATOR CARLTON:

Amendment No. 599 to Assembly Bill No. 24 clarifies that an insurer must accept or deny an injured worker's written request for a change in treating physician within 10 days of receiving such a request. The original only had "accept" and in order to make it perfectly clear, we wanted to make certain the "deny" portion was in there also.

SENATOR NOLAN:

Concerning the amendment, under section 5, there was a change in subsection 1, line 13, where it states, "If an injured employee is discharged from employment as a result of misconduct an insurer may deny compensation." It seems as though we are inserting, now, for temporary, total disability which would preclude the permanent-partial disabilities and other types of disabilities it appears can now be denied for misconduct.

SENATOR CARLTON:

The questioner is speaking to the bill language itself and not to the amendment.

SENATOR NOLAN:

The amendment changes the language in that section to include the language for temporary-total disability under section 5 which would then preclude any other type of disability. Am I reading that correctly? That is on page 7 of the amendment, section 5, lines 14 and 15.

SENATOR CARLTON:

I apologize. I was focused on the amendment. Is the question, as to whether an insurer may not deny any compensation pursuant to this section? Is that the question? Now, we are speaking to the bill.

SENATOR NOLAN:

I have questions on the bill itself.

Senator Carlton moved that Assembly Bill No. 24 be taken from the Second Reading File and placed on the Second Reading File for the next legislative day.

Motion carried.

Assembly Bill No. 73.

Bill read second time and ordered to third reading.

Assembly Bill No. 107.

Bill read second time.

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

Amendment No. 597.

"SUMMARY—Creates the Advisory Committee for the Prevention and Treatment of Stroke and Heart Disease within the Health Division of the Department of Health and Human Services. (BDR 40-208)"

"AN ACT relating to public health; creating the Advisory Committee for the Prevention and Treatment of Stroke and Heart Disease within the Health Division of the Department of Health and Human Services; prescribing the duties of the Committee; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Sections 8 and 9 of this bill create the Advisory Committee for the Prevention and Treatment of Stroke and Heart Disease within the Health Division of the Department of Health and Human Services and prescribe the duties of the Committee. Section 10 of this bill authorizes the Health Division to enter into contracts and to apply for and accept gifts, grants, donations and bequests to carry out the provisions of this bill.

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

Section 1. Chapter 439 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 10, inclusive, of this act.

Sec. 2. *As used in sections 2 to 10, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 7, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *"Committee" means the Advisory Committee for the Prevention and Treatment of Stroke and Heart Disease created by section 8 of this act.*

Sec. 4. *"Hospital" has the meaning ascribed to it in NRS 449.012.*

Sec. 5. *"Primary prevention" means the treatment of risk factors for stroke, heart disease and other vascular disease in the general population before the onset of any symptoms.*

Sec. 6. *"Provider of health care" has the meaning ascribed to it in NRS 629.031.*

Sec. 7. *"Secondary prevention" means the treatment of patients who have developed symptoms of stroke, heart disease or other vascular disease that is designed to prevent the onset of additional symptoms and attacks of the condition.*

Sec. 8. 1. *The Advisory Committee for the Prevention and Treatment of Stroke and Heart Disease is hereby created within the Health Division.*

2. *The Committee consists of the following members:*

(a) *A board-certified neurologist who is licensed to practice in this State and who is experienced in treating victims of stroke, appointed by the Administrator;*

(b) *A board-certified cardiologist who is licensed to practice in this State and who is experienced in treating victims of heart disease and heart attacks, appointed by the Administrator;*

(c) *A provider of emergency medical services, appointed by the Administrator;*

(d) *A representative of the Health Division whose primary responsibilities relate to the licensure and certification of persons who provide emergency medical services, appointed by the Administrator;*

(e) *A representative of the American Heart Association or its successor, appointed by the Administrator;*

(f) *A person with knowledge or expertise in the prevention of chronic diseases, appointed by the Administrator;*

(g) *A representative from rural Nevada, appointed by the Administrator;*

(h) A representative of hospitals in this State, appointed by the Administrator;

(i) A representative of collectively bargained plans, self-funded plans or other entities that pay claims under a contract for health insurance in this State, appointed by the Administrator;

(j) A registered nurse who is licensed to practice professional nursing in this State, appointed by the Administrator;

(k) A person who is a representative of a population disproportionately affected by heart disease or stroke, appointed by the Governor;

(l) A person who is a survivor of stroke, appointed by the Majority Leader of the Senate; ~~and~~

(m) A person who is a survivor of heart disease, appointed by the Speaker of the Assembly ~~+~~; and

(n) A representative of the Nevada System of Higher Education who has knowledge of matters relating to public health, appointed by the Board of Regents of the University of Nevada.

3. The Committee shall elect a Chairman and a Vice Chairman from among its members to initial terms expiring on June 30, 2011. After the initial election, each of those officers holds office for a term of 1 year beginning on July 1 of each year and may be reelected to one or more successive terms. If a vacancy occurs in the chairmanship or vice chairmanship, the members of the Committee shall elect a replacement for the remainder of the unexpired term.

4. After the initial terms, each member of the Committee serves a term of 2 years beginning on July 1. Except for a member appointed pursuant to paragraph (f) of subsection 2, a member may be reappointed to one or more successive terms.

5. A vacancy on the Committee must be filled for the remainder of the unexpired term in the same manner as the original appointment.

6. The members of the Committee serve without compensation. If sufficient money is available, each member is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally while attending meetings of the Committee or otherwise engaged in the business of the Committee.

Sec. 9. 1. The Committee shall, to the extent money is available from any source:

(a) Adopt rules for its own governance.

(b) Meet at least once each calendar quarter and at other times upon the call of the Chairman.

(c) Make recommendations to the Health Division for the establishment of a comprehensive plan for the prevention of stroke, heart disease and other vascular disease in this State which must:

(1) Emphasize the development of a policy for the primary prevention and secondary prevention of stroke;

(2) *Include recommendations to eliminate disparities in vascular health among populations that are disproportionately affected by stroke, heart disease and other vascular disease;*

(3) *Include recommendations concerning methods of increasing public knowledge and awareness relating to vascular health, including, without limitation, the prevention and treatment of stroke, heart disease and other vascular disease;*

(4) *Include recommendations concerning acute stroke treatment, including treatment during the hyperacute and emergency phases of stroke;*

(5) *Include recommendations concerning the rehabilitation of patients and continuous quality improvement activities for medical facilities and providers of health care; and*

(6) *Include recommendations concerning the notification and response of emergency medical services.*

(d) *On or before May 1 of each year, submit a written report to the Health Division summarizing the activities of the Committee and any recommendations it has made.*

(e) *In carrying out its duties, solicit suggestions and information from:*

(1) *Providers of emergency medical services;*

(2) *Associations of medical professionals;*

(3) *Hospitals;*

(4) *The Health Division;*

(5) *The Board of Medical Examiners and other boards responsible for issuing a license to a provider of health care; and*

(6) *Other persons with interests relating to vascular health as deemed necessary by the Committee.*

2. *In making the recommendations required by paragraph (c) of subsection 1, the Committee shall not consider or address any issue concerning the transfer of a patient.*

3. *A majority of the members of the Committee constitutes a quorum for the transaction of business, and a majority of a quorum present at any meeting is sufficient for any official action taken by the Committee.*

Sec. 10. 1. *The Health Division may:*

(a) *Enter into contracts for any service necessary to carry out the provisions of sections 2 to 10, inclusive, of this act; and*

(b) *Apply for and accept gifts, grants, donations and bequests from any source to carry out the provisions of sections 2 to 10, inclusive, of this act.*

2. *Any money collected pursuant to subsection 1 and any money appropriated to carry out the provisions of sections 2 to 10, inclusive, of this act:*

(a) *Must be deposited in the State Treasury and accounted for separately in the State General Fund; and*

(b) *Except as otherwise provided by the terms of a specific gift, grant, donation or bequest, must only be expended to carry out the provisions of sections 2 to 10, inclusive, of this act.*

3. *The Administrator shall administer the account. Any interest or income earned on the money in the account must be credited to the account.*

4. *Any claims against the account must be paid as other claims against the State are paid.*

Sec. 11. On or before July 1, 2010:

1. The Administrator of the Health Division of the Department of Health and Human Services shall appoint the following members to the Advisory Committee for the Prevention and Treatment of Stroke and Heart Disease created by section 8 of this act:

(a) One member each pursuant to paragraphs (a) to (f), inclusive, of subsection 2 of section 8 of this act to initial terms commencing on July 1, 2010, and expiring on June 30, 2011.

(b) One member each pursuant to paragraphs (g) to (j), inclusive, of subsection 2 of section 8 of this act to initial terms commencing on July 1, 2010, and expiring on June 30, 2012.

2. The Governor shall appoint to the Committee one member pursuant to paragraph (k) of subsection 2 of section 8 of this act to an initial term commencing on July 1, 2010, and expiring on June 30, 2012.

3. The Majority Leader of the Senate shall appoint to the Committee one member pursuant to paragraph (l) of subsection 2 of section 8 of this act to an initial term commencing on July 1, 2010, and expiring on June 30, 2012.

4. The Speaker of the Assembly shall appoint one member to the Committee pursuant to paragraph (m) of subsection 2 of section 8 of this act to an initial term commencing on July 1, 2010, and expiring on June 30, 2012.

5. The Board of Regents of the University of Nevada shall appoint one member to the Committee pursuant to paragraph (n) of subsection 2 of section 8 of this act to an initial term commencing on July 1, 2010, and expiring on June 30, 2012.

Sec. 12. 1. This section and section 11 of this act become effective on October 1, 2009.

2. Sections 1 to 10, inclusive, of this act become effective on July 1, 2010.

Senator Wiener moved the adoption of the amendment.

Remarks by Senator Wiener.

Senator Wiener requested that her remarks be entered in the Journal.

Amendment No. 597 to Assembly Bill No. 107 adds to the Advisory Committee for the Prevention and Treatment of Stroke and Heart Disease a representative of the Nevada System of Higher Education who has knowledge of matters relating to public health. This representative is appointed by the Board of Regents.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 232.

Bill read second time and ordered to third reading.

Assembly Bill No. 377.

Bill read second time and ordered to third reading.

Assembly Bill No. 480.

Bill read second time and ordered to third reading.

UNFINISHED BUSINESS

CONSIDERATION OF ASSEMBLY AMENDMENT

Senate Bill No. 83.

The following Assembly amendment was read:

Amendment No. 572.

"SUMMARY—Makes various changes relating to the regulation of gaming. (BDR 41-311)"

"AN ACT relating to gaming; revising the provisions concerning the establishment of branch offices of the State Gaming Control Board; revising the provisions relating to the confidentiality of certain information and data provided to or prepared by the Board and the Nevada Gaming Commission; authorizing the Board and Commission to require certain persons to be found suitable or licensed; making changes relating to the registration of gaming employees; making changes concerning disseminators of live broadcasts of racing; making various other changes relating to the regulation of gaming; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 1 of this bill adds a new definition of the term "manufacture," and sections 3-5 of this bill revise the definitions of the terms "gaming device," "gaming employee" and "manufacturer" for the purposes of the statutory provisions governing the licensing and control of gaming. (NRS 463.0155, 463.0157, 463.0172)

Existing law authorizes the State Gaming Control Board to maintain branch offices in space provided by the Buildings and Grounds Division of the Department of Administration. Section 6 of this bill removes the requirement regarding the Division and instead authorizes the Chairman of the Board to enter into leases or other agreements necessary to establish branch offices of the Board. (NRS 463.100) Section 7 of this bill revises the provisions relating to the confidentiality of certain information and data provided to or prepared by the Board and the Nevada Gaming Commission. (NRS 463.120) Section 8 of this bill deletes certain obsolete language relating to the reporting and keeping of records by casinos concerning transactions involving cash. (NRS 463.125)

Section 9 of this bill authorizes the Board and Commission to require a person to be found suitable or licensed if the person: (1) operates a call center within this State as an agent of a licensed race book or sports pool; or (2) has invented, has developed or owns the intellectual property rights to a game for which approval by the Commission is being sought or has been received. (NRS 463.162) Section 10 of this bill requires any person granted a license or found suitable by the Commission to continue to meet the applicable

standards and qualifications originally needed for the license or finding of suitability. (NRS 463.170) Section 11 of this bill: (1) provides that a registered gaming employee must file a change of employment notice within 10 calendar days with the Board; and (2) authorizes the Board to charge a fee to process a change of employment notice, limited to the actual investigative and administrative costs related to processing the change of employment notice. (NRS 463.335) Section 12 of this bill changes the time within which an agent of the Board must mail written notice concerning a dispute between a patron and licensee from 30 days to 45 days after the date the Board first receives notification concerning the dispute. (NRS 463.362)

Sections 13-16 and 20 of this bill: (1) revise the process for notification to disseminators of live broadcasts of racing concerning certain proposals to broadcast racing meets; (2) delete references to the Account for the Operation of Hearing Panels; (3) authorize the Board to establish fees to be paid by a disseminator of a live broadcast, instead of a user; and (4) eliminate the requirement that the Commission is required to fix, regulate and control the rates to be charged by any disseminator of information concerning racing held at a track which uses the pari-mutuel system of wagering. (NRS 463.422, 463.423, 463.426, 463.445)

Section 17 of this bill provides that to the extent practicable, the provisions of the Nevada Gaming Control Act that apply to a limited partnership shall be deemed to apply to a registered limited-liability partnership or a foreign registered limited-liability partnership. (NRS 463.563)

Section 18.5 of this bill authorizes the Commission to provide by regulation for: (1) the filing by manufacturers of reports and information governing independent contractors; (2) the registration of independent contractors; (3) procedures pursuant to which an independent contractor may be required to file an application for a finding of suitability; and (4) such other regulatory oversight of independent contractors as the Commission determines necessary and appropriate. (NRS 463.650) Section 19 of this bill provides that: (1) no interest subject to the Nevada Gaming Control Act may be transferred to any heir or devisee from probate until the heir or devisee applies for and obtains all approvals necessary to hold or own such an interest from the Commission; and (2) if the heir or devisee fails to obtain all such necessary approvals, the entity in which the interest exists must purchase the interest for cash at fair market value based upon two appraisals.

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

Section 1. Chapter 463 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *"Manufacture" means:*

(a) *To manufacture, produce, program, design, control the design of, maintain a copyright over or make modifications to a gaming device, cashless wagering system, mobile gaming system or interactive gaming system;*

(b) To direct, control or assume responsibility for the methods and processes used to design, develop, program, assemble, produce, fabricate, compose and combine the components and other tangible objects of any gaming device, cashless wagering system, mobile gaming system or interactive gaming system; or

(c) To assemble, or control the assembly of, a gaming device, cashless wagering system, mobile gaming system or interactive gaming system.

2. As used in this section, "assume responsibility" means to acquire complete control over, or ownership of, the applicable gaming device, cashless wagering system, mobile gaming system or interactive gaming system.

Sec. 2. NRS 463.013 is hereby amended to read as follows:

463.013 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 463.0133 to 463.01967, inclusive, and section 1 of this act have the meanings ascribed to them in those sections.

Sec. 3. NRS 463.0155 is hereby amended to read as follows:

463.0155 "Gaming device" means any ~~{equipment or mechanical, electromechanical or electronic contrivance, component or machine}~~ object used remotely or directly in connection with gaming or any game which affects the result of a wager by determining win or loss ~~{}~~ and which does not otherwise constitute associated equipment. The term includes ~~{}~~, without limitation:

1. A slot machine.

2. A collection of two or more of the following components:

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

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

(c) A storage medium containing ~~{the source language or executable code of a computer program that cannot be reasonably demonstrated to have any use other than in a slot machine;~~

~~(d) An assembled video display unit;~~

~~(e) a control program;~~

(d) An assembled mechanical or electromechanical display unit intended for use in gambling; or

~~{(f)}~~ (e) An assembled mechanical or electromechanical unit which cannot be demonstrated to have any use other than in a slot machine.

3. Any ~~{mechanical, electrical or other device}~~ object which may be connected to or used with a slot machine to alter the normal criteria of random selection or affect the outcome of a game.

4. A system for the accounting or management of any game in which the result of the wager is determined electronically by using any combination of hardware or software for computers.

5. A control program.

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

7. *Any object that has been determined to be a gaming device pursuant to regulations adopted by the Commission.*

➔ *As used in this section, "control program" means any software, source language or executable code which affects the result of a wager by determining win or loss as determined pursuant to regulations adopted by the Commission.*

Sec. 4. 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 ~~[(f)]~~ and employees of an affiliate of such a person involved in assisting the person in carrying out the duties of the person in this State;

(i) Employees whose duties are directly involved with the manufacture, repair, sale or distribution of gaming devices, cashless wagering systems, mobile gaming systems, equipment associated with mobile gaming systems, 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, mobile gaming 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) *Employees of operators of call centers who perform, or who supervise the performance of, the function of receiving and transmitting wagering instructions;*

(m) Employees ~~[whose responsibilities include performing the duties relating to the process of registration]~~ who have access to the Board's system of records for the purpose of processing the registrations of gaming employees that a licensee is required to perform pursuant to the provisions of this chapter and any regulations adopted pursuant thereto;

~~[(m)]~~ (n) Floormen;

~~[(n)]~~ (o) Hosts or other persons empowered to extend credit or complimentary services;

~~[(o)]~~ (p) Keno runners;

~~[(p)]~~ (q) Keno writers;

~~[(q)]~~ (r) Machine mechanics;

~~[(r)]~~ (s) Odds makers and line setters;

~~[(s)]~~ (t) Security personnel;

~~[(t)]~~ (u) Shift or pit bosses;

~~[(u)]~~ (v) Shills;

~~[(v)]~~ (w) Supervisors or managers;

~~[(w)]~~ (x) Ticket writers; ~~and~~

~~[(x)]~~ (y) Employees of a person required by NRS 463.160 to be licensed to operate an information service ~~[]~~; and

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

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

Sec. 5. NRS 463.0172 is hereby amended to read as follows:

463.0172 "Manufacturer" means a person who ~~is~~:

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

~~2. Designs, assumes responsibility for the design of, controls the design of, 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, cashless wagering system, mobile gaming system or interactive gaming system for use or play in this State or for distribution outside of this State.] operates, carries on, conducts or maintains any form of manufacture.~~

Sec. 6. NRS 463.100 is hereby amended to read as follows:

463.100 1. The Board shall keep its main office at Carson City, Nevada, in conjunction with the Commission in rooms provided by the Buildings and Grounds Division of the Department of Administration.

2. The Board may, in its discretion, maintain a branch office in Las Vegas, Nevada, or at any other place in this ~~[state, in space to be provided by the Buildings and Grounds Division.] State as the Chairman of the Board deems necessary for the efficient operation of the Board. The Chairman of~~

the Board may enter into such leases or other agreements as may be necessary to establish a branch office.

Sec. 7. NRS 463.120 is hereby amended to read as follows:

463.120 1. The Board and the Commission shall cause to be made and kept a record of all proceedings at regular and special meetings of the Board and the Commission. These records are open to public inspection.

2. The Board shall maintain a file of all applications for licenses under this chapter and chapter 466 of NRS, together with a record of all action taken with respect to those applications. The file and record are open to public inspection.

3. The Board and the Commission may maintain such other files and records as they may deem desirable.

4. Except as otherwise provided in this ~~subsection and subsection 5,~~ section, all information and data:

(a) Required by the Board or Commission to be furnished to it under ~~this chapter~~ *chapters 462 to 466, inclusive, of NRS or any regulations adopted pursuant thereto* or which may be otherwise obtained relative to the finances, earnings or revenue of any applicant or licensee;

(b) Pertaining to an applicant's *or natural person's* criminal record, antecedents and background which have been furnished to or obtained by the Board or Commission from any source;

(c) Provided to the members, agents or employees of the Board or Commission by a governmental agency or an informer or on the assurance that the information will be held in confidence and treated as confidential;

(d) Obtained by the Board from a manufacturer, distributor or operator, or from an operator of an inter-casino linked system, relating to the manufacturing of gaming devices or the operation of an inter-casino linked system; or

(e) Prepared or obtained by an agent or employee of the Board or Commission ~~[relating to an application for a license, a finding of suitability or any approval that is required]~~ pursuant to ~~[the provisions of this chapter,]~~ *an audit, investigation, determination or hearing,*

↪ are confidential and may be revealed in whole or in part only in the course of the necessary administration of this chapter or upon the lawful order of a court of competent jurisdiction. The Board and Commission may reveal such information and data to an authorized agent of any agency of the United States Government, any state or any political subdivision of a state or the government of any foreign country. Notwithstanding any other provision of state law, such information may not be otherwise revealed without specific authorization by the Board or Commission.

5. *Notwithstanding any other provision of state law, any and all information and data prepared or obtained by an agent or employee of the Board or Commission relating to an application for a license, a finding of suitability or any approval that is required pursuant to the provisions of chapters 462 to 466, inclusive, or any regulations adopted pursuant thereto,*

are confidential and absolutely privileged and may be revealed in whole or in part only in the course of the necessary administration of such provisions and with specific authorization and waiver of the privilege by the Board or Commission. The Board and Commission may reveal such information and data to an authorized agent of any agency of the United States Government, any state or any political subdivision of a state or the government of any foreign country.

6. Before the beginning of each legislative session, the Board shall submit to the Legislative Commission for its review and for the use of the Legislature a report on the gross revenue, net revenue and average depreciation of all licensees, categorized by class of licensee and geographical area and the assessed valuation of the property of all licensees, by category, as listed on the assessment rolls.

~~{6.}~~ 7. Notice of the content of any information or data furnished or released pursuant to subsection 4 may be given to any applicant or licensee in a manner prescribed by regulations adopted by the Commission.

~~{7.}~~ 8. The files, records and reports of the Board are open at all times to inspection by the Commission and its authorized agents.

~~{8.}~~ 9. All files, records, reports and other information pertaining to gaming matters in the possession of the Nevada Tax Commission must be made available to the Board and the Nevada Gaming Commission as is necessary to the administration of this chapter.

~~{9.}~~ 10. The Nevada Gaming Commission, by the affirmative vote of a majority of its members, may remove from its records the name of a debtor and the amount of tax, penalty and interest, or any of them, owed by him, if after 5 years it remains impossible or impracticable to collect such amounts. The Commission shall establish a master file containing the information removed from its official records by this section.

Sec. 8. NRS 463.125 is hereby amended to read as follows:

463.125 1. The Commission may ~~{, for the purpose of obtaining an exemption from the requirements of the Department of Treasury on reporting and keeping of records by casinos,}~~ require nonrestricted licensees with an annual gross revenue of \$1,000,000 or more to report and keep records of all transactions involving cash.

2. A gaming licensee, or a director, officer, employee, affiliate or agent of the gaming licensee, who makes a disclosure to the Commission, the Board or any other law enforcement agency of a possible violation or circumvention of law or regulation regarding a transaction involving cash has absolute immunity from civil liability for that disclosure or for the failure to notify a person involved in the transaction or any other person of that disclosure.

3. The absolute privilege set forth in NRS 463.3407 also applies to the copy of a report of a suspicious transaction filed with the Board as required by regulations adopted pursuant to subsection 1.

Sec. 9. NRS 463.162 is hereby amended to read as follows:

463.162 1. Except as otherwise provided in subsections 2 and 3, it is unlawful for any person to:

(a) Lend, let, lease or otherwise deliver or furnish any equipment of any gambling game, including any slot machine, for any interest, percentage or share of the money or property played, under guise of any agreement whatever, without having first procured a state gaming license.

(b) Lend, let, lease or otherwise deliver or furnish, except by a bona fide sale or capital lease, any slot machine under guise of any agreement whereby any consideration is paid or is payable for the right to possess or use that slot machine, whether the consideration is measured by a percentage of the revenue derived from the machine or by a fixed fee or otherwise, without having first procured a state gaming license for the slot machine.

(c) Furnish services or property, real or personal, on the basis of a contract, lease or license, pursuant to which that person receives payments based on earnings or profits from any gambling game, including any slot machine, without having first procured a state gaming license.

2. The provisions of subsection 1 do not apply to any person:

(a) Whose payments are a fixed sum determined in advance on a bona fide basis for the furnishing of services or property other than a slot machine.

(b) Who furnishes services or property under a bona fide rental agreement or security agreement for gaming equipment.

(c) That is a wholly owned subsidiary of:

(1) A corporation, limited partnership or limited-liability company holding a state gaming license; or

(2) A holding company or intermediary company, or publicly traded corporation, that has registered pursuant to NRS 463.585 or 463.635 and which has fully complied with the laws applicable to it.

(d) Who is licensed as a distributor and who rents or leases any equipment of any gambling game, including any slot machine, under a bona fide agreement where the payments are a fixed sum determined in advance and not determined as a percentage of the revenue derived from the equipment or slot machine.

(e) Who is found suitable by the Commission to act as an independent agent.

↪ Receipts or rentals or charges for real property, personal property or services do not lose their character as payments of a fixed sum or as bona fide because of provisions in a contract, lease or license for adjustments in charges, rentals or fees on account of changes in taxes or assessments, escalations in the cost-of-living index, expansions or improvement of facilities, or changes in services supplied. Receipts of rentals or charges based on percentage between a corporate licensee or a licensee who is a limited partnership or limited-liability company and the entities enumerated in paragraph (c) are permitted under this subsection.

3. The Commission may, upon the issuance of its approval or a finding of suitability, exempt a holding company from the licensing requirements of subsection 1.

4. The Board may require any person exempted by the provisions of subsection 2 or paragraph (b) of subsection 1 to provide such information as it may require to perform its investigative duties.

5. The Board and the Commission may require a finding of suitability or the licensing of any person who:

(a) Owns any interest in the premises of a licensed establishment or owns any interest in real property used by a licensed establishment whether he leases the property directly to the licensee or through an intermediary.

(b) Repairs, rebuilds or modifies any gaming device.

(c) Manufactures or distributes chips or gaming tokens for use in this State.

(d) *Operates a call center within this State as an agent of a licensed race book or sports pool in this State in accordance with the regulations adopted by the Commission.*

(e) *Has invented, has developed or owns the intellectual property rights to a game for which approval by the Commission is being sought or has been received in accordance with the regulations adopted by the Commission.*

6. If the Commission finds a person described in subsection 5 unsuitable, a licensee shall not enter into any contract or agreement with that person without the prior approval of the Commission. Any other agreement between the licensee and that person must be terminated upon receipt of notice of the action by the Commission. Any agreement between a licensee and a person described in subsection 5 shall be deemed to include a provision for its termination without liability on the part of the licensee upon a finding by the Commission that the person is unsuitable. Failure expressly to include that condition in the agreement is not a defense in any action brought pursuant to this section to terminate the agreement. If the application is not presented to the Board within 30 days after demand, the Commission may pursue any remedy or combination of remedies provided in this chapter.

Sec. 10. NRS 463.170 is hereby amended to read as follows:

463.170 1. Any person who the Commission determines is qualified to receive a license, to be found suitable or to receive any approval required under the provisions of this chapter, or to be found suitable regarding the operation of a charitable lottery under the provisions of chapter 462 of NRS, having due consideration for the proper protection of the health, safety, morals, good order and general welfare of the inhabitants of the State of Nevada and the declared policy of this State, may be issued a state gaming license, be found suitable or receive any approval required by this chapter, as appropriate. The burden of proving his qualification to receive any license, be found suitable or receive any approval required by this chapter is on the applicant.

2. An application to receive a license or be found suitable must not be granted unless the Commission is satisfied that the applicant is:

(a) A person of good character, honesty and integrity;

(b) A person whose prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest of this State or to the effective regulation and control of gaming or charitable lotteries, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of gaming or charitable lotteries or in the carrying on of the business and financial arrangements incidental thereto; and

(c) In all other respects qualified to be licensed or found suitable consistently with the declared policy of the State.

3. A license to operate a gaming establishment or an inter-casino linked system must not be granted unless the applicant has satisfied the Commission that:

(a) The applicant has adequate business probity, competence and experience, in gaming or generally; and

(b) The proposed financing of the entire operation is:

(1) Adequate for the nature of the proposed operation; and

(2) From a suitable source.

↪ Any lender or other source of money or credit which the Commission finds does not meet the standards set forth in subsection 2 may be deemed unsuitable.

4. An application to receive a license or be found suitable constitutes a request for a determination of the applicant's general character, integrity, and ability to participate or engage in, or be associated with gaming or the operation of a charitable lottery, as appropriate. Any written or oral statement made in the course of an official proceeding of the Board or Commission by any member thereof or any witness testifying under oath which is relevant to the purpose of the proceeding is absolutely privileged and does not impose liability for defamation or constitute a ground for recovery in any civil action.

5. The Commission may in its discretion grant a license to:

(a) A publicly traded corporation which has complied with the provisions of NRS 463.625 to 463.643, inclusive;

(b) Any other corporation which has complied with the provisions of NRS 463.490 to 463.530, inclusive;

(c) A limited partnership which has complied with the provisions of NRS 463.564 to 463.571, inclusive; and

(d) A limited-liability company which has complied with the provisions of NRS 463.5731 to 463.5737, inclusive.

6. No limited partnership, except one whose sole limited partner is a publicly traded corporation which has registered with the Commission, or a limited-liability company, or business trust or organization or other association of a quasi-corporate character is eligible to receive or hold any

license under this chapter unless all persons having any direct or indirect interest therein of any nature whatever, whether financial, administrative, policymaking or supervisory, are individually qualified to be licensed under the provisions of this chapter.

7. The Commission may, by regulation:

(a) Limit the number of persons who may be financially interested and the nature of their interest in any corporation, other than a publicly traded corporation, limited partnership, limited-liability company or other organization or association licensed under this chapter; and

(b) Establish such other qualifications for licenses as it may, in its discretion, deem to be in the public interest and consistent with the declared policy of the State.

8. *Any person granted a license or found suitable by the Commission shall continue to meet the applicable standards and qualifications set forth in this section and any other qualifications established by the Commission by regulation. The failure to continue to meet such standards and qualifications constitutes grounds for disciplinary action.*

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

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

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

(b) Maintain confidential records of such information.

2. A person may not be employed as a gaming employee unless he is temporarily registered or registered as a gaming employee pursuant to this section. An applicant for registration or renewal of registration as a gaming employee must file an application for registration or renewal of registration with the Board. Whenever a registered gaming employee, whose registration has not expired, has not been objected to by the Board, or has not been suspended or revoked becomes employed as a gaming employee at another or additional gaming establishment, he must file a change of employment notice within 10 *calendar* days with the Board. The application for registration and change of employment notice must be filed through the licensee for whom the applicant will commence or continue working as a gaming employee, unless otherwise filed with the Board as prescribed by regulation of the Commission.

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

4. A complete application for registration or renewal of registration as a gaming employee or a change of employment notice received by a licensee must be mailed or delivered to the Board within 5 business days after receipt unless the date is administratively extended by the Chairman of the Board for good cause. A licensee is not responsible for the accuracy or completeness of

any application for registration or renewal of registration as a gaming employee or any change of employment notice.

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

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

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

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

6. Upon receipt of a change of employment notice, the Board may conduct any investigations of the gaming employee that the Board deems appropriate to determine whether the gaming employee may remain registered as a gaming employee. *The fee charged by the Board to process a change of employment notice may cover only the actual investigative and administrative costs related to processing the change of employment notice.* The filing of a change of employment notice constitutes an application for registration as a gaming employee, and if the Board, after conducting its investigation, suspends or objects to the continued registration of the gaming employee, the provisions of subsections 10 to 16, inclusive, apply to such suspension by or objection of the Board. ~~No fee may be charged by the Board to cover the actual investigative and administrative costs related to processing a change of employment notice.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) The applicable licensee; and

(b) The applicant,

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

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

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

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

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

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

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

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

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

(g) Had registration as a gaming employee revoked or committed any act which is a ground for the revocation of registration as a gaming employee or

would have been a ground for revoking registration as a gaming employee if the applicant had then been registered as a gaming employee.

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

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

14. 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 the registration or renewal of registration of gaming employees:

- (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 suspension of or the objection to the registration of an applicant as a gaming employee; and
- (d) Notifying the applicant of the decision.

15. Notice by the Board as provided pursuant to subsections 1 to 14, inclusive, is sufficient if it is mailed to the applicant's last known address as indicated on the application for registration as a gaming employee 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.

16. 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, all lists of persons registered as gaming employees,

all lists of persons suspended or objected to by the Board 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 Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.400 for information relating to a specific person who has applied for registration as a gaming employee or is registered as a gaming employee, 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.

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

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

this section shall be deemed to be an admission that the findings of the hearing examiner are well-founded.

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

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

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

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

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

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

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

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

Sec. 12. NRS 463.362 is hereby amended to read as follows:

463.362 1. Whenever a patron and a licensee, or any person acting on behalf of or in conjunction with a licensee, have any dispute which cannot be resolved to the satisfaction of the patron and which involves:

(a) Alleged winnings, alleged losses or the award or distribution of cash, prizes, benefits, tickets or any other item or items in a game, tournament, contest, drawing, promotion or similar activity or event; or

(b) The manner in which a game, tournament, contest, drawing, promotion or similar activity or event is conducted,

↳ the licensee is responsible for notifying the Board or patron in accordance with the provisions of subsection 2, regardless of whether the licensee is directly or indirectly involved in the dispute.

2. Whenever a dispute described in subsection 1 involves:

(a) At least \$500, the licensee shall immediately notify the Board; or

(b) Less than \$500, the licensee shall notify the patron of his right to request that the Board conduct an investigation.

3. Upon being notified of a dispute, the Board, through an agent, shall conduct whatever investigation it deems necessary and shall determine whether payment should be made. The agent of the Board shall mail written notice to the Board, the licensee and the patron of his decision resolving the dispute within ~~[30]~~ 45 days after the date the Board first receives notification from the licensee or a request to conduct an investigation from the patron. The failure of the agent to mail notice of his decision within the time required by this subsection does not divest the Board of its exclusive jurisdiction over the dispute.

4. Failure of the licensee to notify the Board or patron as provided in subsection 2 is grounds for disciplinary action pursuant to NRS 463.310 to 463.3145, inclusive.

5. The decision of the agent of the Board is effective on the date the aggrieved party receives notice of the decision. Notice of the decision shall be deemed sufficient if it is mailed to the last known address of the licensee and patron. 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 licensee or the patron 5 days after it is deposited with the United States Postal Service with the postage thereon prepaid.

Sec. 13. NRS 463.422 is hereby amended to read as follows:

463.422 1. A disseminator who wishes to submit a proposal for the exclusive right to disseminate a live broadcast for a racing meet to users must give written notice to the Board ~~[not earlier than 180 days nor later than 100 days before the racing meet begins. The Board may provide for a shorter period of notice.~~

~~2. Within 20 days after it]~~ *in accordance with the requirements established in the regulations adopted by the Commission.*

2. ~~After the Board receives such a notice, the Board shall [give written notice to]~~ *notify* the disseminator indicating when a written proposal must be submitted. If the Board reviews the submitted proposals and determines that a hearing is necessary, the Board shall ~~[give written notice to]~~ *notify* each disseminator and user indicating that the Board intends to conduct a hearing to determine which disseminator will receive the exclusive right to disseminate a live broadcast for a racing meet to users.

3. If the Board reviews the submitted proposals and determines that the selection of a disseminator may be made without a hearing, it shall ~~[give written notice of its determination and selection to]~~ *notify* each disseminator and ~~[shall post such a notice in a conspicuous place in each of its offices in Las Vegas and Carson City for inspection by members of]~~ the public ~~[.]~~ *of its determination.*

4. All ~~notices given~~ notifications provided by the Board pursuant to this section must ~~contain~~ :

(a) Contain all information ; and

(b) Conform with all requirements relating to the manner, timing and form for such notifications,

↳ that the Commission, with the advice and assistance of the Board, may prescribe by regulation.

Sec. 14. NRS 463.423 is hereby amended to read as follows:

463.423 1. Whenever the Board decides to conduct a hearing to determine which disseminator will receive the exclusive right to disseminate a live broadcast for a racing meet to users, the Board shall appoint a hearing panel, consisting of three members, to conduct the hearing. The Commission, with the advice and assistance of the Board, shall prescribe by regulation the qualifications of those members.

2. The members of the panel are entitled to receive the necessary expenses incurred in carrying out their duties as prescribed by the Board. ~~{The expenses must be paid from the account for the operation of hearing panels.}~~

3. The Board may enter into agreements necessary to provide for the services of the members of the hearing panels appointed pursuant to this section.

4. The Board shall provide from its staff such additional personnel as it deems necessary to carry out the provisions of this section.

Sec. 15. NRS 463.426 is hereby amended to read as follows:

463.426 The Board may:

1. Authorize a disseminator to enter into an agreement with a track to disseminate to users a live broadcast which is received from the track.

2. Establish fees to be paid by a ~~user~~ disseminator of a live broadcast in an amount which is equal to the cost of carrying out the provisions of NRS 463.421 to 463.427, inclusive.

~~{3. The Board shall deposit the fees with the State Treasurer for credit to the Account for the Operation of Hearing Panels. Any interest earned on money in the Account must be credited to that Account.}~~

Sec. 16. NRS 463.445 is hereby amended to read as follows:

463.445 1. Except as otherwise provided in subsection 3, the Commission ~~shall~~ may fix, regulate and control the rates to be charged by any disseminator of information concerning racing held at a track which uses the pari-mutuel system of wagering, but the rates must be just and reasonable.

2. The Commission may require any licensee who subscribes to a disseminator's service to report financial information relating to wagering and amounts won on each track or event, and may publish this information to ensure that the rates are just and reasonable.

3. The provisions of subsection 1 do not apply to the rates to be charged for the dissemination of live broadcasts.

Sec. 17. NRS 463.563 is hereby amended to read as follows:

463.563 1. The policy of the State of Nevada with respect to the issuance of state gaming licenses to limited partnerships is:

(a) To broaden the opportunity for investment in gaming through the pooling of capital in limited partnership form.

(b) To maintain effective control over the conduct of gaming by limited partnership licensees.

(c) To restrain any speculative promotion of limited partnership interests in gaming enterprises.

2. *To the extent practicable, the provisions of this chapter that apply to a limited partnership shall be deemed to apply to a registered limited-liability partnership as defined in NRS 87.020 or 87.4311 or a foreign registered limited-liability partnership.*

3. The Commission may waive, either selectively or by general regulation, one or more of the requirements of NRS 463.564 to 463.572, inclusive, if it makes a written finding that a waiver is consistent with the state policy set forth in NRS 463.0129 and this section.

Sec. 18. (Deleted by amendment.)

Sec. 18.5. 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, cashless wagering system, mobile gaming 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, mobile gaming systems 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:

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

(b) Antique gaming devices,

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

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 who 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. *The Commission may provide by regulation for:*

(a) *The filing by a manufacturer of reports and information regarding:*

(1) *Any independent contractor; and*

(2) *The business arrangements between the manufacturer and an independent contractor.*

(b) *Registration of independent contractors.*

(c) *Procedures pursuant to which an independent contractor may be required to file an application for a finding of suitability.*

(d) *Such other regulatory oversight of independent contractors as the Commission determines is necessary and appropriate.*

10. As used in this section:

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

(b) "Holding company" has the meaning ascribed to it in NRS 463.485.

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

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

(2) *Pursuant to an agreement with the manufacturer, designs, develops, programs, produces or composes a control program used in the manufacture of a gaming device. As used in this subparagraph, "control program" has the meaning ascribed to it in NRS 463.0155.*

Sec. 19. Chapter 148 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *No interest subject to the jurisdiction of the Nevada Gaming Control Act may be transferred to any heir or devisee from probate until the heir or*

devisee has received all approvals necessary to hold or own such an interest from the Nevada Gaming Commission.

2. Such an heir or devisee must seek all such necessary approvals through the filing of all appropriate applications with the State Gaming Control Board within 1 year after the interest becomes subject to probate ~~or~~ or within such later period as the Chairman of the Board determines in his sole and absolute discretion.

3. If any such heir or devisee fails to file full and complete applications for all such necessary approvals within 1 year after the interest becomes subject to probate ~~or~~ or within such later period as the Chairman of the Board determines, or if the Commission denies any application for such necessary approvals:

(a) The court shall immediately order that an appraisal of the interest must be conducted by two independent appraisers, one of whom must have experience appraising gaming assets. The costs of both appraisals must be paid by the estate.

(b) Within 30 days after receipt of both appraisals, the court shall offer and the entity in which the interest exists shall purchase the interest for cash at fair market value as determined by the court based upon the appraisals conducted pursuant to paragraph (a). The Commission may deem a failure to purchase the interest as offered to be a voluntary surrender of any gaming license, registration or approval held by the entity in which the interest exists.

Sec. 19.5. NRS 239.0115 is hereby amended to read as follows:

239.0115 1. Except as otherwise provided in this subsection and subsection 3, notwithstanding any provision of law that has declared a public book or record, or a part thereof, to be confidential, if a public book or record has been in the legal custody or control of one or more governmental entities for at least 30 years, a person may apply to the district court of the county in which the governmental entity that currently has legal custody or control of the public book or record is located for an order directing that governmental entity to allow the person to inspect or copy the public book or record, or a part thereof. If the public book or record pertains to a natural person, a person may not apply for an order pursuant to this subsection until the public book or record has been in the legal custody or control of one or more governmental entities for at least 30 years or until the death of the person to whom the public book or record pertains, whichever is later.

2. There is a rebuttable presumption that a person who applies for an order as described in subsection 1 is entitled to inspect or copy the public book or record, or a part thereof, that he seeks to inspect or copy.

3. The provisions of subsection 1 do not apply to any book or record:

(a) Declared confidential pursuant to ~~subsection 4 of~~ NRS 463.120.

(b) Containing personal information pertaining to a victim of crime that has been declared by law to be confidential.

Sec. 20. Any balance existing in the Account for the Operation of Hearing Panels on June 30, 2009, must be transferred to the Account for Racing and Pari-Mutuel Wagering created pursuant to NRS 466.080 on July 1, 2009.

Sec. 21. 1. This section and sections 4, 6 to 12, inclusive, and 14 to 20, inclusive, of this act become effective on July 1, 2009.

2. Sections 3 and 13 of this act become effective:

(a) Upon passage and approval, for the purpose of adopting regulations; and

(b) On October 1, 2009, for all other purposes.

3. Sections 1, 2 and 5 of this act become effective on October 1, 2009.

Senator Care moved that the Senate concur in the Assembly amendment to Senate Bill No. 83.

Remarks by Senator Care.

Senator Care requested that his remarks be entered in the Journal.

Senate Bill No. 83 is the bill we get every session from the Gaming Control Board. When the bill left this House, section 19 stated that an heir could not take possession of an interest, subject to the Gaming Control Act, unless the heir had filled out all of the necessary applications for approval within a year. The probate attorneys think that sometimes probate may take longer than a year to close. The period could go beyond a year at the sole discretion of the Chair of the Gaming Control Board.

Motion carried by a two-thirds majority.

Bill ordered enrolled.

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President pro Tempore and Secretary signed Senate Bills Nos. 12, 14, 141, 161, 216, 240, 391; Senate Concurrent Resolutions Nos. 27, 28, 29; Senate Resolution No. 8.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Breeden, the privilege of the floor of the Senate Chamber for this day was extended to Amber Bigelow, Nicholas Calderon, Christina Casey, Tucker Dungan, Cydney Fears, Ethan Gilmore, Emily Gorski, Cesario Huerta, Jake Javellana, Antony Leauanae, Coby Mata, Celine Nguyen, Tylyn Openshaw, Sophia Shafiuzzaman, Ryan Smith, Dylan Stansbury, Abigail Therrell, Tamara Dungan, Raven Gilmore, Karie Openshaw, Kareem Shafiuzzaman, Julie Smith, Anthony Cutone, Sydney Dalessi, Nicolas Eclevia, Seth Goolsby, Alyssa Hord, Kaelei MacFarlene, Justin Massaro, Jacob Menard, Taylor Murdy, Hannah Ovens, Elias Perez, Daniel Troolines, Gifty Nkansah, Brian Dalessi, Elias Perez, Jessic Darlington, Riley Duncan, Jolyn Garlitos, Stefanie Greer, George Karachepone, Bryson LaBar, Derek Lane Smith, Cayman Nelson, Miles Ohala, Blake Orr, Sariah Powers, Holly Duncan, Megan Nelson, Victoria Briggs-Darlington, Silva Bikarian, Myrna Obregon, Roxana Pistalu, Deborah Harbin and Joshua Castro.

On request of Senator Cegavske, the privilege of the floor of the Senate Chamber for this day was extended to Mary Swadell, Joan Frenken and Robert Campbell.

On request of Senator Nolan, the privilege of the floor of the Senate Chamber for this day was extended to Anthony Bandiero.

On request of Senator Townsend, the privilege of the floor of the Senate Chamber for this day was extended to the following students and teacher from the Incline High School: Citlali Barajas, Haley Bissell, Tracy Estrada, Gwen Ewasko, Emily Sanchez-Fragoso, Dulce Garcia, Dylan Glasgow, Ariel Holton, Sarena Joseph, Chalese Larson, Melina Mendieta, Irma Mendoza, Karina Noriega, Eric Payne, Orlando Quiroz, Francisco Rodriquez, Jennifer Romero, Luis Sanchez, Luis Salazar, Caitlyn Brown, Ruben Camacho, Charlotte Dillard, Eduardo Gonzalez, Cody Mitchell, Karen Noriega, Amie Serrano, Frank Tarantino, Luis Tatengo, Roas Valdovinos, Victoria Vinson and teacher: Pamela Miller.

Senator Horsford moved that the Senate adjourn until Monday, May 11, 2009, at 11 a.m.

Motion carried.

Senate adjourned at 12:42 p.m.

Approved:

MICHAEL A. SCHNEIDER
President pro Tempore of the Senate

Attest: CLAIRE J. CLIFT

Secretary of the Senate