

SENATE BILL NO. 443—COMMITTEE ON JUDICIARY

MARCH 23, 2015

Referred to Committee on Judiciary

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

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

~

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

AN ACT relating to gaming; revising provisions governing the acceptance of race book and sports pool wagers; providing a penalty; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Under existing law, the Nevada Gaming Commission and the State Gaming  
2 Control Board are required to perform various acts relating to the regulation and  
3 control of gaming. (NRS 463.140) This bill authorizes certain business entities to  
4 apply for registration with the Board for purposes of placing race book and sports  
5 pool wagers.

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

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

3 **Sec. 2.** *The Legislature hereby finds and declares that:*

4 *1. The State of Nevada leads the nation in the regulation and*  
5 *enforcement of race book and sports pool wagers, such that the*  
6 *State is uniquely positioned to expand the means for natural*  
7 *persons to place race book and sports pool wagers in a controlled*  
8 *environment.*

9 *2. Allowing natural persons to pool money in a business*  
10 *entity which can then place race book and sports pool wagers with*  
11 *nonrestricted gaming licensees will increase wagering activity in*  
12 *this State.*



1       3. *A comprehensive registration of business entities that place*  
2 *race book and sports pool wagers will provide greater*  
3 *transparency for nonrestricted gaming licensees, prevent fraud*  
4 *and assist law enforcement agencies in this State.*

5       **Sec. 3.** 1. *A race book or sports pool may accept wagers*  
6 *from a business entity if the business entity has registered with the*  
7 *Board pursuant to subsection 2. Upon such registration, the*  
8 *business entity shall be deemed to be a patron for the purposes of*  
9 *this chapter and chapter 465 of NRS.*

10       2. *The Board shall register a business entity upon the*  
11 *Board's receipt of:*

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

19       (b) *The business entity's formation documents and the initial*  
20 *or annual list as filed with the Secretary of State pursuant to title 7*  
21 *of NRS; and*

22       (c) *Payment of \$1,000 as an initial registration fee.*

23       3. *The registration of a business entity expires 1 year after the*  
24 *date of the delivery of the initial registration to the Board.*

25       4. *The registration of a business entity may be renewed*  
26 *annually upon payment of a renewal fee of \$500.*

27       5. *A business entity shall file an amended registration*  
28 *pursuant to subsection 2 within 5 business days after any change*  
29 *in the information or status contained in any previous filing and*  
30 *shall pay a fee of \$100 for filing the amended registration.*

31       6. *A person who knowingly submits any false information*  
32 *required pursuant to this section is guilty of perjury, which*  
33 *is a category D felony, and shall be punished as provided in*  
34 *NRS 193.130.*

35       7. *Before accepting the initial wager by a business entity, the*  
36 *operator of a race book or sports pool shall:*

37       (a) *Confirm with the Board that the business entity is*  
38 *registered pursuant to subsection 2; and*

39       (b) *Establish a wagering account through which the business*  
40 *entity's wagers are placed pursuant to regulations adopted by the*  
41 *Commission.*

42       8. *A registered business entity shall not distribute profits or*  
43 *pay any compensation to any person described in subsection 2*  
44 *until such person has been disclosed in a registration with the*  
45 *Board.*



1       **9. A registered business entity shall:**

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

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

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

13       **10. Notwithstanding the provisions of NRS 463.350, a race**  
14 **book or sports pool may accept wagers from a designated**  
15 **individual of a registered business entity.**

16       **11. Notwithstanding any other provision of law, a registered**  
17 **business entity, any person described in subsection 2 and any**  
18 **agent acting on behalf of a registered business entity must not be**  
19 **considered to be engaged in the unlawful accepting or facilitating**  
20 **of any bet or wager.**

21       **12. As used in this section:**

22       **(a) "Business entity" means an entity organized and existing**  
23 **under the laws of this State.**

24       **(b) "Designated individual" means a person listed as an**  
25 **officer, director, partner or manager of a business entity in the**  
26 **initial or annual list as filed with the Secretary of State pursuant**  
27 **to title 7 of NRS, and any other natural person authorized by the**  
28 **business entity in writing to place race book or sports pool wagers.**

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

