

**THE FIFTY-EIGHTH DAY**

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CARSON CITY (Tuesday), April 4, 2017

Assembly called to order at 12:34 p.m.

Mr. Speaker presiding.

Roll called.

All present except Assemblywoman Diaz, who was excused.

Prayer by the Chaplain, Reverend Richard Snyder.

Loving God, we give You thanks for the world that You have created. We ask Your blessing on the People's House of the Nevada Legislature—on all who serve in it and all who work for it. May they all be sustained, renewed, and guided by Your spirit.

AMEN.

Pledge of allegiance to the Flag.

Assemblywoman Benitez-Thompson moved that further reading of the Journal be dispensed with and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

## REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Corrections, Parole, and Probation, to which was referred Assembly Bill No. 74, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JAMES OHRENSCHALL, *Chair*

*Mr. Speaker:*

Your Committee on Government Affairs, to which were referred Assembly Bills Nos. 57, 79, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

EDGAR FLORES, *Chair*

*Mr. Speaker:*

Your Committee on Health and Human Services, to which was referred Assembly Bill No. 65, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MICHAEL C. SPRINKLE, *Chair*

*Mr. Speaker:*

Your Committee on Judiciary, to which was referred Assembly Bill No. 14, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Judiciary, to which was referred Assembly Bill No. 28, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

STEVE YEAGER, *Chair*

*Mr. Speaker:*

Your Committee on Natural Resources, Agriculture, and Mining, to which were referred Assembly Bills Nos. 50, 101, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

HEIDI SWANK, *Chair*

#### MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, April 3, 2017

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed Senate Bills Nos. 13, 15; Senate Joint Resolution No. 8.

SHERRY RODRIGUEZ  
*Assistant Secretary of the Senate*

#### MOTIONS, RESOLUTIONS AND NOTICES

Senate Joint Resolution No. 8.

Assemblywoman Benitez-Thompson moved that the resolution be referred to the Committee on Legislative Operations and Elections.

Motion carried.

#### NOTICE OF EXEMPTION

April 4, 2017

Pursuant to paragraph (a) of subsection 4 of Joint Standing Rule No. 14.6, the following measures are not subject to the provisions of subsection 1 of Joint Standing Rule No. 14, Joint Standing Rule No. 14.1, subsection 1 of Joint Standing Rule No. 14.2 and Joint Standing Rule No. 14.3: Assembly Bills Nos. 343, 430 and 446.

Also, pursuant to paragraph (a) of subsection 4 of Joint Standing Rule No. 14.6, the following measures are not subject to the provisions of subsection 1 of Joint Standing Rule No. 14, Joint Standing Rule No. 14.1, subsection 1 of Joint Standing Rule No. 14.2 and Joint Standing Rule No. 14.3: Senate Bills Nos. 121, 456, 489 and 507 and Senate Joint Resolution No. 11.

RICHARD S. COMBS  
*Director*

April 4, 2017

The Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Assembly Bills Nos. 41, 289, 295, 299, 303 and 417.

CINDY JONES  
*Fiscal Analysis Division*

April 4, 2017

The Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the exemption of: Senate Bills Nos. 443, 444, 445, 446, 457 and 515.

Also, the Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Senate Bills Nos. 170, 223, 244, 249, 259, 265, 285, 287, 289, 302, 303, 315, 317, 323, 325, 327, 332, 336, 339, 342, 343, 345, 347, 348, 349, 358, 359, 363, 373, 378, 390, 391, 401, 402, 405, 415, 418, 419, 424, 427, 438, 441, 455, 497, 500, 501, 502, 503, 504, 505, 506, 508, 510, 511, 512, 514, 516 and 518.

MARK KRMPOTIC  
*Fiscal Analysis Division*

## INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 13.

Assemblyman Carrillo moved that the bill be referred to the Committee on Transportation.

Motion carried.

Senate Bill No. 15.

Assemblywoman Carrillo moved that the bill be referred to the Committee on Transportation.

Motion carried

## SECOND READING AND AMENDMENT

Assembly Bill No. 1.

Bill read second time.

The following amendment was proposed by the Committee on Education:  
Amendment No. 3.

AN ACT relating to education; requiring the Board of Regents of the University of Nevada to pay undergraduate fees and expenses of a dependent child of a public employee killed in the performance of his or her duties; **authorizing the reimbursement of such fees and expenses for the dependent child of a public employee killed in the performance of his or her duties on or after a certain date;** and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires the Board of Regents of the University of Nevada, to the extent money is available, to pay certain fees and expenses associated with undergraduate classes taken at a school within the Nevada System of Higher Education by the dependent child of a public safety officer who was killed in the line of duty. (NRS 396.545) ~~[[This]]~~ **Section 1 of this** bill expands the applicability of this provision to include the payment of such fees and expenses for a dependent child of any other public employee who was killed in the performance of his or her duties. **Section 1.5 of this bill provides that if a public employee was killed in the performance of his or her duties on or after October 1, 2013, his or her dependent child is eligible to receive reimbursement for any such fees or expenses.**

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

**Section 1.** NRS 396.545 is hereby amended to read as follows:

396.545 1. To the extent of money available for this purpose, the Board of Regents shall pay all registration fees, laboratory fees and expenses for required textbooks and course materials assessed against or incurred by a dependent child of a public safety officer who was killed in the line of duty ~~[[~~ ***or any other public employee who was killed in the performance of his***

*or her duties*, for classes taken towards satisfying the requirements of an undergraduate degree at a school within the System. No such payment may be made for any fee assessed after the child reaches the age of 23 years.

2. There is hereby created in the State General Fund a Trust Account for the Education of Dependent Children. The Board of Regents shall administer the Account. The Board of Regents may accept gifts and grants for deposit in the Account. All money held by the State Treasurer or received by the Board of Regents for that purpose must be deposited in the Account. The money in the Account must be invested as the money in other state accounts is invested. After deducting all applicable charges, all interest and income earned on the money in the Account must be credited to the Account. Any money remaining in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.

3. For each fiscal year, the Board of Regents shall estimate:

(a) The amount of money in the Trust Account that is available to make payments pursuant to subsection 1 for that fiscal year; and

(b) The anticipated amount of such payments for that fiscal year.

↪ If the anticipated amount of payments estimated for the fiscal year exceeds the estimated amount of money available in the Account in the fiscal year for such payments, the Board of Regents may request an allocation from the Contingency Account created in the State General Fund pursuant to NRS 353.266 to cover the projected shortfall.

4. As used in this section:

(a) “Firefighter” means a person who is a salaried employee or volunteer member of a:

(1) Fire prevention or suppression unit organized by a local government and whose principal duty is to control and extinguish fires; or

(2) Fire-fighting agency.

(b) “Fire-fighting agency” has the meaning ascribed to it in NRS 450B.072.

(c) “Local government” means a county, city, unincorporated town or metropolitan police department.

(d) “Member of a rescue or emergency medical services crew” means:

(1) A member of a search and rescue organization in this State under the direct supervision of any county sheriff;

(2) A person licensed as an attendant pursuant to chapter 450B of NRS if the person is a salaried employee of a public agency and is not retained under contract to perform services for the public agency;

(3) A person certified as an emergency medical technician, advanced emergency medical technician or paramedic pursuant to chapter 450B of NRS if the person is a salaried employee or volunteer of a public agency and is not retained under contract to perform services for the public agency; or

(4) A volunteer attendant as that term is defined in NRS 450B.110.

(e) "Peace officer" means a category I peace officer, category II peace officer or category III peace officer as those terms are defined in NRS 289.460, 289.470 and 289.480, respectively.

(f) "Public agency" means an agency, bureau, commission, department or division of the State of Nevada or a political subdivision of the State of Nevada that provides police, firefighting, rescue or emergency medical services.

(g) *"Public employee" means any person who performs public duties for compensation paid by or through the State, a county, city, local government or other political subdivision of the State or an agency thereof.*

(h) *"Public employee who was killed in the performance of his or her duties" includes, without limitation, a public employee who dies as a result of injuries sustained in the performance of his or her duties.*

(i) "Public safety officer" means a person serving a public agency in an official capacity, with or without compensation, as a peace officer, a firefighter or a member of a rescue or emergency medical services crew.

(j) *"Public safety officer who was killed in the line of duty" includes, without limitation, a public safety officer who dies as a result of injuries sustained in the line of duty.*

**Sec. 1.5. If, during the period beginning on October 1, 2013, and ending on June 30, 2017, a public employee, as defined in section 1 of this act, was killed in the performance of his or her duties, the dependent child of the public employee is eligible to receive reimbursement for any registration fees, laboratory fees or expenses for required textbooks and course materials assessed against or incurred by the dependent child. As soon as practicable on or after July 1, 2017, and to the extent of money available for this purpose, the Board of Regents of the University of Nevada shall reimburse such dependent children for any such fees or expenses.**

**Sec. 2.** This act becomes effective on July 1, 2017.

Assemblyman Thompson moved the adoption of the amendment.

Remarks by Assemblyman Thompson.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 10.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 20.

AN ACT relating to state purchasing; providing for the disposition of rebates for purchases made with procurement cards; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

This bill provides for the disposition of money received by the State in the form of rebates for purchases made by using charge cards issued to state agencies or their authorized representatives, commonly known as “procurement ~~cards.~~” **cards,” where the disposition is not otherwise prohibited by law or any other restriction on the use or disposition of the money used for such a purchase.** Under the provisions of this bill, after deducting administrative costs: (1) 50 percent of any such rebate is deposited into the Account to Stabilize the Operation of the State Government, also known as the Rainy Day Fund; and (2) the other 50 percent is given to the state agency that made the purchase. Such money deposited into the Rainy Day Fund must not be used to replace or supplant funding from other sources. Also, such money received by a state agency: (1) must not be used to replace or supplant funding available from other sources; and (2) may be used at the discretion of the head of the agency.

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

**Section 1.** Chapter 333 of NRS is hereby amended by adding thereto a new section to read as follows:

1. ~~Any~~ **Except as otherwise prohibited by law or any other applicable restriction on the use or disposition of the money used for the purchase, any money provided to the State in the form of a rebate for a purchase made with a procurement card must, after deducting administrative costs, be distributed as follows:**

(a) Fifty percent **must be deposited into the Account to Stabilize the Operation of the State Government created pursuant to NRS 353.288; and**

(b) Fifty percent **must be given to the using agency that made the purchase.**

2. ***The money:***

(a) ***Deposited into the Account to Stabilize the Operation of the State Government pursuant to subsection 1 must not be used to replace or supplant funding available from other sources.***

(b) ***Received by a using agency pursuant to subsection 1:***

(1) ***Must not be used to replace or supplant funding available from other sources; and***

(2) ***May be used at the discretion of the head of the using agency.***

3. ***As used in this section, “procurement card” means a charge card issued to a using agency or its authorized representative for the purchase of goods and services pursuant to the provisions of this chapter.***

**Sec. 2.** This act becomes effective on July 1, 2017.

Assemblyman Flores moved the adoption of the amendment.

Remarks by Assemblyman Flores.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 75.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 2.

AN ACT relating to gaming; revising certain definitions relating to gaming; exempting manufacturers, distributors and independent contractors associated with gaming from certain licensing requirements; revising provisions governing the regulation of trustees of an employee stock ownership plan by the Nevada Gaming Commission; **authorizing the Commission to reject an application for a license, registration, finding of suitability or approval;** making various other changes related to the regulation of gaming; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires the Nevada Gaming Commission and the Nevada Gaming Control Board to administer state gaming licenses and manufacturers', sellers' and distributors' licenses, and to perform various acts relating to the regulation and control of gaming. (NRS 463.140) **Section 1** of this bill revises the definition of "manufacture" for the purposes of the statutory provisions governing the licensing and control of gaming to include the act of assuming responsibility for certain actions.

Existing law makes it unlawful to deliver or furnish any equipment, services or property in exchange for any interest or revenue derived from a gambling game without procuring and maintaining the required state gaming license. (NRS 463.162) **Section 2** of this bill exempts persons who are already licensed as a manufacturer or distributor of certain gaming devices or systems from this licensing requirement.

Existing law authorizes the Commission to exempt a bank acting as a fiduciary from certain requirements for licensing and regulation related to gaming. (NRS 463.175) **Section 3** of this bill similarly authorizes the Commission to exempt a trustee of an employee stock ownership plan from such requirements.

**Existing law provides that after a final order of the Board recommending denial of an application for a license, registration, finding of suitability or approval, the Commission may: (1) deny the application; (2) remand the matter to the Board for further investigation and reconsideration; or (3) by unanimous vote of the members present, grant the application. (NRS 463.220) Section 3.5 of this act: (1) authorizes the Commission to reject the application; and (2) provides that a rejection of the application does not constitute a determination of the suitability of the applicant or a denial of the application.**

Existing law: (1) establishes the Nevada Gaming Control Board Revolving Account in order to facilitate the confidential investigation of certain violations relating to gaming; and (2) provides that expenditures from the Revolving Account may not exceed the amount authorized by the Legislature in any fiscal year. (NRS 463.330) **Section 4** of this bill provides that such expenditures may only exceed the amount authorized by the Legislature if the expenses are incurred by the Board for confidential investigations concerning the enforcement of existing law governing gaming and the money for payment of the expenses is ~~not~~ derived from ~~the State General Fund,~~ **state or federal forfeiture funds.**

Existing law makes it unlawful to manufacture, sell or distribute any gaming device, cashless wagering system, mobile gaming system or interactive gaming system for use or play in Nevada without first procuring and maintaining the required licensure. (NRS 463.650) **Section 5** of this bill exempts certain persons from the required licensure if a person who is already licensed as a manufacturer assumes responsibility for the underlying actions.

Existing law requires the Commission, with the advice and assistance of the Board, to adopt regulations relating to the approval of associated equipment by the Board. (NRS 463.665) **Section 6** of this bill transfers certain duties required to be included in those regulations from the Commission to the Board.

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

**Section 1.** NRS 463.01715 is hereby amended to read as follows:

463.01715 1. “Manufacture” means:

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

(b) To direct ~~or~~ **or** control ~~for 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, associated equipment, cashless wagering system, mobile gaming system or interactive gaming system for use or play in Nevada; ~~or~~

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

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

2. As used in this section:

(a) “Assume responsibility” means to:



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

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

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

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

(2) Pursuant to an agreement with the manufacturer, designs, develops, programs, produces or composes a control program used 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. 1.5. NRS 463.0173 is hereby amended to read as follows:**

463.0173 "Manufacturer's, seller's or distributor's license" means a license issued pursuant to NRS 463.650, ~~and 463.660.~~

**Sec. 2. 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 *manufacturer or* 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.~~ *pursuant to NRS 463.650, [and 463.660.]*

(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 the person 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. 3.** NRS 463.175 is hereby amended to read as follows:

463.175 1. As used in this section:

(a) "Bank" means a national banking association that is authorized to do business in this State, a banking corporation formed or regulated under the laws of this State or a trust company formed or regulated under the laws of this State.

(b) "*Employee stock ownership plan*" means a type of profit-sharing plan that invests primarily in the employer's stock.

(c) "Fiduciary" means an executor, an administrator, a special administrator, a trustee of an inter vivos trust, a trustee of a testamentary trust, *a trustee of an employee stock ownership plan*, an escrow agent, a depositary or any combination thereof.

2. The Commission may, selectively or by general regulation, at any time and from time to time, exempt a bank *or trustee of an employee stock ownership plan* acting as a fiduciary from all or any portion of the requirements of NRS 463.160, 463.162, 463.167, 463.170, and 463.490 to 463.645, inclusive, and from the regulations adopted thereunder.

3. The Commission may, upon the recommendation of the Board or upon its own undertaking, grant, deny, limit, condition, restrict, revoke or suspend any exemption or application for exemption pursuant to subsection 2 for any reasonable cause.

4. An exemption granted pursuant to subsection 2 is a revocable privilege, and no person may acquire any vested rights therein or thereunder.

**Sec. 3.5. NRS 463.220 is hereby amended to read as follows:**

463.220 1. The Board shall present its final order upon an application to the Commission at the next meeting of the Commission.

2. The Commission may, after considering the recommendation of the Board, issue to the applicant named, as a natural person, and to the licensed gaming establishment, as a business entity, under the name or style therein designated, a state gaming license, or deny the same. The Commission may limit the license or place such conditions thereon as it may deem necessary in the public interest. The Commission may, if it considers necessary, issue a probationary license. No state gaming license may be assigned either in whole or in part.

3. The Commission may limit or place such conditions as it may deem necessary in the public interest upon any registration, finding of suitability or approval for which application has been made.

4. After final order of the Board recommending denial of an application, the Commission, after considering the recommendation of the Board, may:

- (a) Deny the application;
- (b) ***Reject the application;***

(c) Remand the matter to the Board for such further investigation and reconsideration as the Commission may order; or

~~((c))~~ (d) By unanimous vote of the members present, grant the application for a license, registration, finding of suitability or approval.

↪ For the purposes of this section, a tie vote of the Board upon an application does not constitute a recommendation of denial of the application. *A rejection of the application does not constitute a determination of the suitability of the applicant or a denial of the application of the applicant.*

5. If the Commission is not satisfied that an applicant approved by the Board is qualified to be licensed under this chapter, the Commission may cause to be made such investigation into and conduct such hearings concerning the qualifications of the applicant in accordance with its regulations as it may deem necessary.

6. If the Commission desires further investigation be made or to conduct any hearings, it shall, within 30 days after presentation of the recommendation of the Board so notify the applicant and set a date for hearing, if a hearing is requested by the applicant. Final action by the Commission must be taken within 120 days after the recommendation of the Board has been presented to the Commission. Failure of the Commission to take action within 120 days shall be deemed to constitute approval of the applicant by the Commission, and a license must be issued forthwith upon compliance by the applicant with the provisions of NRS 463.225.

7. The Commission has full and absolute power and authority to deny any application for any cause it deems reasonable. If an application is denied, the Commission shall prepare and file its written decision upon which its order denying the application is based.

**Sec. 4.** NRS 463.330 is hereby amended to read as follows:

463.330 1. Costs of administration of this chapter incurred by the Commission and the Nevada Gaming Control Board must be paid from the State General Fund on claims presented by the Commission and the Board, respectively, and approved and paid as other claims against the State are paid. The Commission and the Board shall comply with the provisions of the State Budget Act in order that legislative authorization for budgeted expenditures may be provided.

2. In order to facilitate the confidential investigation of violations of this chapter and the regulations adopted by the Commission pursuant to this chapter, there is hereby created the Nevada Gaming Control Board Revolving Account. Upon the written request of the Chair of the Board, the State Controller shall draw a warrant in favor of the Chair in the amount of \$10,000, and upon presentation of the warrant to the State Treasurer, the State Treasurer shall pay it. When the warrant is paid, the Chair shall deposit the \$10,000 in a bank or credit union of reputable standing which shall secure the deposit with a depository bond satisfactory to the State Board of Examiners.

3. The Chair of the Board may use the Revolving Account to pay the reasonable expenses of agents and employees of the Board engaged in confidential investigations concerning the enforcement of this chapter, including the prepayment of expenses where necessary, whether such expenses are incurred for investigation of known or suspected violations. In allowing such expenses, the Chair is not limited or bound by the provisions of NRS 281.160.

4. Expenditures from the Revolving Account may ~~not~~ exceed the amount authorized by the Legislature in any fiscal year ~~[-]~~ ***only if the Revolving Account is used to pass through expenses incurred by the Board while engaged in confidential investigations concerning the enforcement of this chapter, and the money for payment of the expenses is derived from ~~sources other than the State General Fund~~ state or federal forfeiture funds as approved by the Chair.***

**Sec. 5.** NRS 463.650 is hereby amended to read as follows:

463.650 1. Except as otherwise provided in subsections 2 to ~~[-]~~ 7, 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 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. ~~for 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 Chair.

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

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

8. 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 or her qualification to receive or hold a license under this section ~~and NRS 463.660~~ is at all times on the applicant or licensee.

~~{7.}~~ 9. 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.}~~ 10. 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.}~~ 11. Any person conducting business in Nevada who is not required to be licensed as a manufacturer, seller or distributor pursuant to subsection 1, but who otherwise must register with the Attorney General of the United States pursuant to Title 15 of U.S.C., must submit to the Board a copy of such registration within 10 days after submission to the Attorney General of the United States.

~~{10.}~~ 12. It is unlawful for any person, either as owner, lessee or employee, whether for hire or not, to knowingly distribute any gaming device, cashless wagering system, mobile gaming system, interactive gaming system or associated equipment from Nevada to any jurisdiction where the possession, ownership or use of any such device, system or equipment is illegal.

~~{11.}~~ 13. As used in this section:

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

(b) *“Assume responsibility” has the meaning ascribed to it in NRS 463.01715.*

(c) *“Control program” has the meaning ascribed to it in NRS 463.0155.*

(d) “Holding company” has the meaning ascribed to it in NRS 463.485.

(e) *“Independent contractor” has the meaning ascribed to it in NRS 463.01715.*

**Sec. 6.** NRS 463.665 is hereby amended to read as follows:

463.665 1. The Commission shall, with the advice and assistance of the Board, adopt regulations prescribing:

(a) The manner and method for the approval of associated equipment by the Board; and

(b) The method and form of any application required by paragraph (a).

2. Except as otherwise provided in subsection 4, the regulations adopted pursuant to subsection 1 must:

(a) Require persons who manufacture or distribute associated equipment for use in this State to be registered ~~by~~ with the ~~Commission~~ **Board** if such associated equipment:

(1) Is directly used in gaming;

(2) Has the ability to add or subtract cash, cash equivalents or wagering credits to a game, gaming device or cashless wagering system;

(3) Interfaces with and affects the operation of a game, gaming device, cashless wagering system or other associated equipment;

(4) Is used directly or indirectly in the reporting of gross revenue;

(5) Records sales for use in an area subject to the tax imposed by NRS 368A.200; or

(6) Is otherwise determined by the ~~Commission~~ **Board** to create a risk to the integrity of gaming and protection of the public if not regulated;

(b) Establish the degree of review an applicant for registration pursuant to this section must undergo, which level may be different for different forms of associated equipment; and

(c) Establish fees for the application, issuance and renewal of the registration required pursuant to this section, which must not exceed \$1,000 per application, issuance or renewal of such registration.

3. This section does not apply to:

(a) A licensee; or

(b) An affiliate of a licensee or an independent contractor as defined by NRS 463.01715.

4. In addition to requiring a manufacturer or distributor of associated equipment to be registered as set forth in subsections 2 and 3, a manufacturer or distributor of associated equipment who sells, transfers or offers the associated equipment for use or play in Nevada may be required by the ~~Commission, upon recommendation of the~~ Board ~~to~~ to file an application for a finding of suitability to be a manufacturer or distributor of associated equipment.

5. In addition to requiring a manufacturer or distributor of associated equipment to be registered as set forth in subsections 2 and 3, any person who directly or indirectly involves himself or herself in the sale, transfer or offering for use or play in Nevada of such associated equipment who is not otherwise required to be licensed as a manufacturer or distributor may be required by the ~~Commission, upon recommendation of the~~ Board ~~to~~ to file an application for a finding of suitability to be a manufacturer or distributor of associated equipment.

6. If an application for a finding of suitability is not submitted to the Board within 30 days after demand by the ~~Commission,~~ **Board,** it may pursue any remedy or combination of remedies provided in this chapter.

7. Any person who manufactures or distributes associated equipment who has complied with all applicable regulations adopted by the Commission before October 1, 2015, shall be deemed to be registered pursuant to this section.

**Sec. 7.** This act becomes effective on July 1, 2017.

Assemblyman Yeager moved the adoption of the amendment.

Remarks by Assemblyman Yeager.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 96.

Bill read second time.

The following amendment was proposed by the Committee on Transportation:

Amendment No. 5.

AN ACT relating to motor carriers; expanding the circumstances under which an owner or operator of a motor vehicle that is used for the transportation of passengers or property is not subject to certain provisions governing fully regulated carriers; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Under existing law, certain common carriers or contract carriers of passengers or household goods are subject to supervision and regulation as fully regulated carriers by the Nevada Transportation Authority. (NRS 706.072, 706.166) An exemption from that supervision and regulation is provided for an owner or operator of a motor vehicle used for the transportation of passengers or property if the owner or operator: (1) holds a nonrestricted license and is a resort hotel; (2) is not in the business of and does not charge a fee for transporting passengers or property; (3) provides transportation only to its customers, guests, casino hosts, key employees, officers and directors; (4) marks the vehicle with the owner's or operator's name or logo; and (5) uses the motor vehicle only in relation to the business of the resort hotel for which the nonrestricted license was issued. The owner or operator is required to inspect the motor vehicle regularly, maintain a



record of the inspections for at least 3 years and make the records available for inspection or audit by the Authority or its designee. (NRS 706.741)

This bill expands that exemption to include an owner or operator of a motor vehicle that is used for the transportation of passengers or property if ~~any person who directly or indirectly controls, is controlled by or is under common control with~~ **an affiliate of** the owner or operator of the motor vehicle complies with the provisions of existing law governing the exemption. **An affiliate is defined as a person who, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the owner or operator.** This bill also requires such ~~a person~~ **an affiliate** to comply with the requirements of existing law relating to inspections of the motor vehicle and the maintenance of records of those inspections.

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

**Section 1.** NRS 706.741 is hereby amended to read as follows:

706.741 1. An owner or operator of a motor vehicle that is used for the transportation of passengers or property is not subject to the provisions of this chapter governing fully regulated carriers if:

(a) The owner or operator, ~~or any person who directly or indirectly controls, is controlled by or is under common control with~~ **an affiliate of the owner or operator,** of the motor vehicle:

- (1) Holds a nonrestricted license and is a resort hotel;
- (2) Is not in the business of transporting passengers or property;
- (3) Does not charge a fee for transporting passengers or property;
- (4) Provides transportation only to its customers, guests, casino hosts, key employees, officers and directors; and
- (5) Marks the vehicle with the ~~owner's or operator's~~ name or logo ~~[ ]~~ **of the owner or operator, or any person who controls, is controlled by or is under common control with an affiliate of the owner or operator,** which must be at least 2 inches in height and be visible from a distance of at least 50 feet; and

(b) The use of the motor vehicle is related to the business of the resort hotel for which the nonrestricted license ~~of the owner or operator, or any person who controls, is controlled by or is under common control with~~ **an affiliate of the owner or operator,** was issued.

2. ~~[An]~~ **The** owner or operator, ~~or any person who directly or indirectly controls, is controlled by or is under common control with~~ **an affiliate of the owner or operator,** of a motor vehicle specified in subsection 1 shall regularly inspect the motor vehicle and maintain a record of the inspection for at least 3 years after the date of the inspection. Each record maintained pursuant to this subsection must be made available for inspection or audit by the Authority or its designee at any time during regular business hours.

3. As used in this section:

(a) ~~“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an owner or operator of a motor vehicle specified in subsection 1 or the power to veto any major policy decision of the owner or operator, whether through the ownership of voting securities, by agreement or otherwise.~~ “Affiliate” has the meaning ascribed to it in NRS 463.0133;

(b) “Nonrestricted license” has the meaning ascribed to it in NRS 463.0177; and

~~{(b)}~~ (c) “Resort hotel” has the meaning ascribed to it in NRS 463.01865.

**Sec. 2.** This act becomes effective on July 1, 2017.

Assemblyman Carrillo moved the adoption of the amendment.

Remarks by Assemblyman Carrillo.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 197.

Bill read second time and ordered to third reading.

Senate Bill No. 198.

Bill read second time and ordered to third reading.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Carlton moved that upon return from the printer, Assembly Bill No. 10 be rereferred to the Committee on Ways and Means.

Motion carried.

#### GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblyman Paul Anderson, the privilege of the floor of the Assembly Chamber for this day was extended to Ed Williams.

On request of Assemblyman Araujo, the privilege of the floor of the Assembly Chamber for this day was extended to Kimi Cole and Steve Amend.

On request of Assemblywoman Bilbray-Axelrod, the privilege of the floor of the Assembly Chamber for this day was extended to Erik Lovaas.

On request of Assemblyman Carrillo, the privilege of the floor of the Assembly Chamber for this day was extended to Elvira Diaz, Fred Love, and Joseph Kopec.

On request of Assemblyman Edwards, the privilege of the floor of the Assembly Chamber for this day was extended to Brent Pettit and Gregg Hamilton.

On request of Assemblyman Ellison, the privilege of the floor of the Assembly Chamber for this day was extended to Darrick Ward.

On request of Assemblyman Flores, the privilege of the floor of the Assembly Chamber for this day was extended to Maribel Mendez Gomez.

On request of Assemblyman Hambrick, the privilege of the floor of the Assembly Chamber for this day was extended to Nancy Hambrick and Madelyn Paige Webster.

On request of Assemblywoman Joiner, the privilege of the floor of the Assembly Chamber for this day was extended to Paco Poli and Ken MacAleese.

On request of Assemblyman Kramer, the privilege of the floor of the Assembly Chamber for this day was extended to Autumn Zemke, Graham Zemke, and Janine Comoletti.

On request of Assemblywoman Krasner, the privilege of the floor of the Assembly Chamber for this day was extended to the following students, teachers, and chaperones from Pleasant Valley Elementary School: Katelynne Anderson, John Bennett, Eli Bjur, Wayde Cole, Kaden Constantino, Kylie Cullen, Kevin Danen, Brad Dodd-Bailor, Brady Dunn, Edith Espinoza, Matthew Evans, Sophia Frost, Cassidy Ghiggeri, Cydnie Hanks, Jayden Hernandez, Pamela Jonovic, Coleman Lewis, Olivia Mares, Selah Peery, Tyler Peterson, Tyler Stevens, Alex Strom, Shelby Tullis, Luke Watson, Lucas Webb, Loghan Zegers, Brody Blanco, Hayden Cantrell, Paul Carnahan, Addison Cordell, Ryan Danen, Erik Davis, Reese Derryman, John Dunlap, Haley Evans, Erika Frazier, Samuel Hamann, Andrew Harris, Abigail Jackson, Lukas Jackson, Kailee Johnstone, Zaara Kamal, Lauren Kaplan, Kaitlyn Keeney, Olivia Keller, Morgan Lyman, Jayce Martucci, Lydia McMasters, Jax Navaee, Dalton Pingree, Ainsley Shaw, Greyson Will, and Sophia Williams.

On request of Assemblyman McArthur, the privilege of the floor of the Assembly Chamber for this day was extended to Rose Marie Jones-Wade, Stephanie Hill and J.C. Hill.

On request of Assemblywoman Monroe-Moreno, the privilege of the floor of the Assembly Chamber for this day was extended to Dr. Mario Gaspar De Alba.

On request of Assemblywoman Neal, the privilege of the floor of the Assembly Chamber for this day was extended to A.J. Holly Huth.

On request of Assemblyman Ohrenschall, the privilege of the floor of the Assembly Chamber for this day was extended to Julie Ostrovsky.

On request of Assemblyman Oscarson, the privilege of the floor of the Assembly Chamber for this day was extended to Korri Ward.

On request of Assemblyman Sprinkle, the privilege of the floor of the Assembly Chamber for this day was extended to Kimberly Diskin.

On request of Assemblyman Thompson, the privilege of the floor of the Assembly Chamber for this day was extended to Yolonda Covington, Jamari Brown, and Larry Smith.

On request of Assemblywoman Tolles, the privilege of the floor of the Assembly Chamber for this day was extended to Karen Vibe.

On request of Assemblyman Wheeler, the privilege of the floor of the Assembly Chamber for this day was extended to Sarah Sandell, Erik Harsh, Stephanie Cliburn, Kyle Mcsweeney, Dominic Goodner, Aadra Reed, Mia Dao, Ariana Pitkin, Tyler Murray, Rachel Dunfee, Linnea Sutton, Jeffrey Dunfee, Julie Evans, Paola Duenas, Dylan Kubeny, Kiley Woolsey, Erik Harsah, Samantha Rollins, Sidney Thompson, Sarah Thomas, Destiny Peake, Sarah Sandell, Hannah Sizelove, Ashley Long, Lacey Griboski, Amrit Kaur, Daniella Martinez, Thomas Rao, Sophia DeLeon, Casey Yingling, Delanie Hinchey, Alexa Coleman, McKinna Jackson, Isabel Goss, Hannah Denhoff, Carly Howe, Mackenzie Brixey, Monique Perez, Amyia Hill, Antoinette Leal, Katherine Lopez, Monica Merriam, Joana Rodriguez, Tehera Walker, Lupita Zamora, Brooklyn Maw, Stephanie Cliburn, Kyle McSweeney, Dominic Goodner, Aadra Reed, Mia Dao, Tammy Sutton, Ariana Pitkin, Tyler Murray, Rachel Dunfee, Linnea Sutton, Jeffrey Dunfee, Julie Evans, Katie Zeller, Paola Duenas, Dylan Kubeny, Kiley Woolsey, Spencer Flanders, Stacey Harrell, Ashley Goering, Samantha Rollins, Sidney Thompson, Sarah Thomas, Destiny Peake, Hannah Sizelove, Ashley Long, Lacey Griboski, Amrit Kaur, Daniella Martinez, Thomas Rao, Sophia DeLeon, Casey Yingling, Delanie Hinchey, Alexa Coleman, McKinna Jackson, Isabel Goss, Hannah Denhoff, Carly Howe, and Mackenzie Brixey.

Assemblywoman Benitez-Thompson moved that the Assembly adjourn until Wednesday, April 5, 2017, at 12 noon.

Motion carried.

Assembly adjourned at 1:03 p.m.

Approved:

JASON FRIERSON  
*Speaker of the Assembly*

Attest: SUSAN FURLONG

*Chief Clerk of the Assembly*