

## **TITLE 4 WITNESSES AND EVIDENCE**

### **CHAPTER 48 ADMISSIBILITY GENERALLY**

#### **48.077** Contents of lawfully intercepted communications.

Except as limited by this section, in addition to the matters made admissible by NRS 179.465, the contents of any communication lawfully intercepted under the laws of the United States or of another jurisdiction before, on or after July 1, 1981, if the interception took place within that jurisdiction, and any evidence derived from such a communication, are admissible in any action or proceeding in a court or before an administrative body of this state, including without limitation the Nevada gaming commission and the state gaming control board. Matter otherwise privileged under this Title does not lose its privileged character by reason of any interception.

(Added to NRS by 1981, 163)

### **CHAPTER 52 DOCUMENTARY AND OTHER PHYSICAL EVIDENCE, RECORDS OF CASINOS AND HOTELS**

#### **52.405** Definitions.

As used in NRS 52.415, 52.425 and 52.435, unless the context otherwise requires:

1. "Custodian of the records of a casino or hotel" means an employee or agent of a gaming licensee or hotel who has the care, custody and control of the records of the casino or hotel.
2. "Records of a casino or hotel" means memoranda, reports, records or compilations of data in any form which are kept in the course of an activity which is regularly conducted by a gaming licensee or hotel.

(Added to NRS by 1985, 787)

## **TITLE 10 PROPERTY RIGHTS AND TRANSACTIONS**

### **CHAPTER 113 SALES OF REAL PROPERTY, REQUIRED DISCLOSURES GENERAL INFORMATION**

#### **113.070** Certain vendors to disclose zoning designations and designations in master plan regarding land use for adjoining parcels.

1. Before the initial purchaser of a residence signs a sales agreement, the seller shall, by separate written document, disclose to him the zoning designations and the designations in the master plan regarding land use, adopted pursuant to chapter 278 of NRS for the adjoining parcels of land. If the residence is located within a subdivision, the disclosure must be made regarding all parcels of land adjoining the unit of the subdivision in which the residence is located. If the residence is located on land divided by a parcel map and not located within a subdivision, the disclosure must be made regarding all parcels of land adjoining the parcel map. Such a disclosure must be made regardless of whether the adjoining parcels are owned by the seller. The seller shall retain a copy of the disclosure document which has been signed by the purchaser acknowledging the date of receipt by the purchaser of the original document.

2. The information contained in the document must:

- (a) Be updated no less than once every 6 months, if the information is available from the local government;
- (b) Advise the purchaser that the master plan and zoning ordinances and regulations adopted pursuant to the master plan are subject to change; and
- (c) Provide the purchaser with instructions on how to obtain more current information.

3. As used in this section, "seller" means a person who sells or attempts to sell any land or tract of land in

this state which is divided or proposed to be divided over any period into two or more lots, parcels, units or interests, including, but not limited to, undivided interests, which are offered, known, designated or advertised as a common unit by a common name or as a part of a common promotional plan of advertising and sale.

(Added to NRS by 1989, 817; A 1995, 380)

## CHAPTER 120A DISPOSITION OF UNCLAIMED PROPERTY (UNIFORM ACT), GENERAL PROVISIONS

120A.135 Inapplicability of chapter to unredeemed gaming chips or tokens.

1. The provisions of this chapter do not apply to gaming chips or tokens which are not redeemed at an establishment.

2. As used in this section:

(a) "Establishment" has the meaning ascribed to it in NRS 463.0148.

(b) "Gaming chip or token" means any object which may be redeemed at an establishment for cash or any other representative of value.

(Added to NRS by 1989, 418)

## TITLE 11 DOMESTIC RELATIONS

### CHAPTER 129 MINORS' DISABILITIES; JUDICIAL EMANCIPATION OF MINORS

129.130 Decree of emancipation: Effect; petition to void decree.

1. If the court determines that the petition should be granted, it shall enter a decree of emancipation.

2. A decree so entered is conclusive and binding.

3. Such a decree emancipates the minor for all purposes and removes the disability of minority of the minor insofar as that disability may affect:

(a) The incurring of indebtedness or contractual obligations of any kind;

(b) The litigation and settlement of controversies;

(c) The acquiring, encumbering and conveying of property or any interest therein;

(d) The consenting to medical, dental or psychiatric care without parental consent, knowledge or liability;

(e) The enrolling in any school or college; and

(f) The establishment of his own residence.

For these purposes, the minor shall be considered in law as an adult, and any obligation he incurs is enforceable by and against him without regard to his minority.

4. Unless otherwise provided by the decree, the obligation of support otherwise owed a minor by his parent or guardian is terminated by the entry of the decree.

5. Except as otherwise provided in this section, a decree of emancipation does not affect the status of the minor for any purpose, including the applicability of any provision of law which:

(a) Prohibits the sale, purchase or consumption of intoxicating liquor to or by a person under the age of 21 years;

(b) Prohibits gaming or employment in gaming by or of a person under the age of 21 years;

(c) Restricts the ability to marry of a person under the age of 18 years;

(d) Governs matters relating to referrals for delinquent acts or violations of NRS 392.040 to 392.125, inclusive, unless the minor has been certified for trial as an adult pursuant to chapter 62 of NRS; or

(e) Imposes penalties or regulates conduct according to the age of any person.

6. A petition may be filed by any person or by any public agency to void a decree of emancipation on the following grounds:

(a) The minor has become indigent and has insufficient means of support; or

(b) The decree of emancipation was obtained by fraud, misrepresentation or the withholding of material information.

7. The voiding of any decree of emancipation must not alter any contractual obligations or rights or any property rights or interests which arose during the period that the decree was in effect.

(Added to NRS by 1987, 1280; A 1991, 2180)

## **TITLE 14 PROCEDURE IN CRIMINAL CASES**

### **CHAPTER 171 PROCEEDINGS TO COMMITMENT, INVESTIGATION OF SUSPECTED CRIMINAL ACTIVITY; DETENTION OF SUSPECTS**

171.1235 Gaming licensee may detain person suspected of having committed felony in gaming establishment.

1. As used in this section:

(a) "Establishment" means any premises whereon any gaming is done or any premises owned or controlled by a licensee for the purpose of parking motor vehicles owned or operated by patrons of such licensee.

(b) "Licensee" has the meaning ascribed to it in NRS 463.0171.

2. Any licensee or his officers, employees or agents may take into custody and detain any person when:

(a) Such person has committed a felony, whether or not in the presence of such licensee or his officers, employees or agents; or

(b) A felony has been committed, and such licensee, his officers, employees or agents have reasonable cause to believe such person committed it.

3. Detention pursuant to this section shall be in the establishment, in a reasonable manner, for a reasonable length of time and solely for the purpose of notifying a peace officer. Such taking into custody and detention shall not render the licensee or his officers, employees or agents criminally or civilly liable for false arrest, false imprisonment, slander or unlawful detention unless such taking into custody and detention are unreasonable under all the circumstances.

4. No licensee, or his officers, employees or agents are entitled to the immunity from liability provided for in this section unless there is displayed in a conspicuous place in his establishment a notice in boldface type clearly legible and in substantially this form:

Any gaming licensee, or his officers, employees or agents who have reasonable cause to believe that any person has committed a felony may detain such person in the establishment for the purpose of notifying a peace officer.

(Added to NRS by 1973, 1700)

### **CHAPTER 176 JUDGEMENT AND EXECUTION, PRESENTENCE INVESTIGATION**

176.156 Disclosure of report and recommendations.

1. The court shall disclose to the district attorney, the counsel for the defendant and the defendant the factual content of the report of the presentence investigation and the recommendations of the division and afford an opportunity to each party to object to factual errors and comment on the recommendations.

2. If the Immigration and Naturalization Service of the United States Department of Justice requests the disclosure of a report of a presentence investigation, the court shall disclose the factual content of the report to the Immigration and Naturalization Service for the limited purpose of performing its duties, including, but not limited to, conducting hearings that are public in nature for the deportation of aliens.

3. Except for the disclosures required by subsections 1 and 2, the report and its sources of information are

confidential and must not be made a part of any public record.

(Added to NRS by 1967, 1434; A 1969, 405; 1975, 576; 1981, 1209; 1985, 149; 1993, 1513; 1995, 1057)

## CHAPTER 179 SPECIAL PROCEEDINGS OF A CRIMINAL NATURE; SEALING RECORDS OF CRIMINAL PROCEEDINGS; REWARDS; FORMS, SEALING RECORDS OF CRIMINAL PROCEEDINGS

179.301 Inspection of sealed records by certain agencies.

1. The state gaming control board and Nevada gaming commission and their employees, agents and representatives may inquire into and inspect any records sealed pursuant to NRS 179.245 or 179.255, if the event or conviction was related to gaming, for purposes of determining the suitability or qualifications of any person to hold a state gaming license, manufacturer's, seller's or distributor's license or gaming work permit pursuant to chapter 463 of NRS. Events and convictions, if any, which are the subject of an order sealing records may form the basis for recommendation, denial or revocation of those licenses or work permits.

2. The central repository and its employees may inquire into and inspect any records sealed pursuant to NRS 179.245 or 179.255 that constitute information relating to sexual offenses, and may notify employers of the information in accordance with NRS 179A.190 to 179A.240, inclusive.

(Added to NRS by 1981, 1105; A 1987, 1759)

## MISCELLANEOUS PROVISIONS

179.530 Order authorizing use of pen register or trap and trace device.

1. District courts of this state may issue orders authorizing the use of a pen register or trap and trace device upon the application of a district attorney, the attorney general or their deputies, supported by an affidavit of a peace officer under the circumstances and upon the conditions prescribed by 18 U.S.C. §§ 3121-3127 as those provisions exist on July 1, 1989.

2. As used in this section, "peace officer" means:

(a) Sheriffs of counties and metropolitan police departments and their deputies;

(b) Investigators, agents, officers and employees of the division of investigation of the department of motor vehicles and public safety who have the powers of peace officers pursuant to paragraph (d) of subsection 1 of NRS 289.270;

(c) Policemen of cities and towns;

(d) Agents of the state gaming control board who are investigating any violation of subsection 2 or 3 of NRS 463.360 or chapter 465 of NRS;

(e) Special investigators employed by the attorney general who have the powers of peace officers pursuant to NRS 289.170; and

(f) Investigators employed by a district attorney who have the powers of peace officers pursuant to NRS 289.170.

3. A public utility that relies, in good faith, upon an order of a district court authorizing the use of a pen register or trap and trace device is not liable in any civil or criminal action brought against the public utility for the use of the pen register or trap and trace device in accordance with the order of the court.

(Added to NRS by 1989, 1134; A 1991, 969; 1993, 83, 2528)

## CHAPTER 179A RECORDS OF CRIMINAL HISTORY AND INFORMATION RELATING TO PUBLIC SAFETY, GENERAL PROVISIONS

179A.070 "Record of criminal history" defined.

1. "Record of criminal history" means information contained in records collected and maintained by agencies of criminal justice, the subject of which is a natural person, consisting of descriptions which identify the subject and notations of arrests, detention, indictments, informations or other formal criminal charges and dispositions of charges, including dismissals, acquittals, convictions, sentences, correctional supervision occurring in Nevada, and information concerning the status of an offender on parole or probation. The term includes only information contained in memoranda of formal transactions between a person and an agency of criminal justice in this state. The term is intended to be equivalent to the phrase "criminal history record information" as used in federal regulations.

2. "Record of criminal history" does not include:

- (a) Investigative or intelligence information, reports of crime or other information concerning specific persons collected in the course of the enforcement of criminal laws.
  - (b) Information concerning juveniles.
  - (c) Posters, announcements or lists intended to identify fugitives or wanted persons and aid in their apprehension.
  - (d) Original records of entry maintained by agencies of criminal justice if the records are chronological and not cross-indexed in any other way.
  - (e) Records of application for and issuance, suspension, revocation or renewal of occupational licenses, including permits to work in the gaming industry.
  - (f) Court indices and records of public judicial proceedings, court decisions and opinions, and information disclosed during public judicial proceedings.
  - (g) Records of traffic violations constituting misdemeanors.
  - (h) Records of traffic offenses maintained by the department to regulate the issuance, suspension, revocation or renewal of drivers' or other operators' licenses.
  - (i) Announcements of actions by the state board of pardons commissioners and the state board of parole commissioners, except information concerning the status of an offender on parole or probation.
  - (j) Records which originated in an agency other than an agency of criminal justice in this state.
- (Added to NRS by 1979, 1850; A 1985, 1977; 1987, 1764; 1995, 2069)

## **CENTRAL REPOSITORY FOR NEVADA RECORDS OF CRIMINAL HISTORY**

179A.100 Records which may be disseminated without restriction; persons to whom records must be disseminated upon request; permission required for dissemination of information relating to sexual offenses.

1. The following records of criminal history may be disseminated by an agency of criminal justice without any restriction pursuant to this chapter:

- (a) Any which reflect records of conviction only; and
- (b) Any which pertain to an incident for which a person is currently within the system of criminal justice, including parole or probation.

2. Without any restriction pursuant to this chapter, a record of criminal history or the absence of such a record may be:

- (a) Disclosed among agencies which maintain a system for the mutual exchange of criminal records.
- (b) Furnished by one agency to another to administer the system of criminal justice, including the furnishing of information by a police department to a district attorney.
- (c) Reported to the central repository.

3. An agency of criminal justice shall disseminate to a prospective employer, upon request, records of criminal history concerning a prospective employee or volunteer which:

- (a) Reflect convictions only; or
- (b) Pertain to an incident for which the prospective employee or volunteer is currently within the system of criminal justice, including parole or probation.

4. The central repository shall disseminate to a prospective or current employer, upon request, information relating to sexual offenses concerning an employee, prospective employee, volunteer or prospective volunteer who gives his written consent to the release of that information.

5. Records of criminal history must be disseminated by an agency of criminal justice upon request, to the following persons or governmental entities:

- (a) The person who is the subject of the record of criminal history for the purposes of NRS 179A.150.
  - (b) The person who is the subject of the record of criminal history or his attorney of record when the subject is a party in a judicial, administrative, licensing, disciplinary or other proceeding to which the information is relevant.
  - (c) The state gaming control board.
  - (d) The state board of nursing.
  - (e) The private investigator's licensing board to investigate an applicant for a license.
  - (f) A public administrator to carry out his duties as prescribed in chapter 253 of NRS.
  - (g) A public guardian to investigate a ward or proposed ward or persons who may have knowledge of assets belonging to a ward or proposed ward.
  - (h) Any agency of criminal justice of the United States or of another state or the District of Columbia.
  - (i) Any public utility subject to the jurisdiction of the public service commission of Nevada when the information is necessary to conduct a security investigation of an employee or prospective employee, or to protect the public health, safety or welfare.
  - (j) Persons and agencies authorized by statute, ordinance, executive order, court rule, court decision or court order as construed by appropriate state or local officers or agencies.
  - (k) Any person or governmental entity which has entered into a contract to provide services to an agency of criminal justice relating to the administration of criminal justice, if authorized by the contract, and if the contract also specifies that the information will be used only for stated purposes and that it will be otherwise confidential in accordance with state and federal law and regulation.
  - (l) Any reporter for the electronic or printed media in his professional capacity for communication to the public.
  - (m) Prospective employers if the person who is the subject of the information has given written consent to the release of that information by the agency which maintains it.
  - (n) For the express purpose of research, evaluative or statistical programs pursuant to an agreement with an agency of criminal justice.
  - (o) The division of child and family services of the department of human resources and any county agency that is operated pursuant to NRS 432B.325 or authorized by a court of competent jurisdiction to receive and investigate reports of abuse or neglect of children and which provides or arranges for protective services for such children.
6. Agencies of criminal justice in this state which receive information from sources outside the state concerning transactions involving criminal justice which occur outside Nevada shall treat the information as confidentially as is required by the provisions of this chapter.
- (Added to NRS by 1979, 1852; A 1985, 913; 1987, 1765; 1989, 5, 560, 562, 991; 1991, 130; 1995, 374, 1656)

## **TITLE 15 CRIMES AND PUNISHMENTS**

### **CHAPTER 201 CRIMES AGAINST PUBLIC DIGNITY AND GOOD MORALS**

#### **CRIMES AGAINST RELIGION**

##### **201.270 Disturbing religious meetings.**

Every person who shall willfully disturb, interrupt or disquiet any assemblage or congregation of people met for religious worship:

1. By noisy, rude or indecent behavior, profane discourse, either within the place where such meeting is held, or so near it as to disturb the order and solemnity of the meeting;
2. By exhibiting shows or plays, or promoting any racing of animals, or gaming of any description, or engaging in any boisterous or noisy amusement;
3. By disturbing in any manner, without authority of law within 1 mile thereof, free passage along a highway to the place of such meeting, or by maliciously cutting or otherwise injuring or disturbing a conveyance or other property belonging to any person in attendance upon such meeting; or
4. By menacing, threatening or assaulting any person therein; shall be guilty of a misdemeanor.

## CHAPTER 202 CRIMES AGAINST PUBLIC HEALTH AND SAFETY

### NUISANCES

#### 202.450 Definition.

1. A public nuisance is a crime against the order and economy of the state.
  2. Every place:
    - (a) Wherein any gambling, bookmaking or pool selling is conducted without a license as provided by law, or wherein any swindling game or device, or bucket shop, or any agency therefor is conducted, or any article, apparatus or device useful therefor is kept;
    - (b) Wherein any fighting between animals or birds is conducted;
    - (c) Wherein any dog races are conducted without a license as provided by law;
    - (d) Wherein any intoxicating liquors are kept for unlawful use, sale or distribution; or
    - (e) Where vagrants resort,is a public nuisance.
  3. Every act unlawfully done and every omission to perform a duty, which act or omission:
    - (a) Annoys, injures or endangers the safety, health, comfort or repose of any considerable number of persons;
    - (b) Offends public decency;
    - (c) Unlawfully interferes with, befouls, obstructs or tends to obstruct, or renders dangerous for passage, a lake, navigable river, bay, stream, canal, ditch, millrace or basin, or a public park, square, street, alley, bridge, causeway or highway; or
    - (d) In any way renders a considerable number of persons insecure in life or the use of property,is a public nuisance.
  4. Agricultural activity conducted on farmland consistent with good agricultural practice and established before surrounding nonagricultural activities is not a public nuisance unless it has a substantial adverse effect on the public health or safety. It is presumed that an agricultural activity which does not violate a federal, state or local law, ordinance or regulation constitutes good agricultural practice.
- [1911 C&P § 296; A 1941, 64; 1949, 143; 1943 NCL § 10244]--(NRS A 1973, 463; 1977, 1039; 1985, 874)

### TOBACCO

#### 202.2491 Smoking tobacco: Unlawful in certain public places; posting signs; designation of areas for smoking.

1. Except as otherwise provided in subsections 5 and 6, the smoking of tobacco in any form is prohibited if done in any:
  - (a) Public elevator.
  - (b) Public building.
  - (c) Public waiting room, lobby or hallway of any:
    - (1) Medical facility or facility for the dependent as defined in chapter 449 of NRS; or
    - (2) Office of any chiropractor, dentist, physical therapist, physician, podiatric physician, psychologist, optician, optometrist, doctor of Oriental medicine or doctor of acupuncture.
  - (d) Hotel or motel when so designated by the operator thereof.
  - (e) Public area of a store principally devoted to the sale of food for human consumption off the premises, except in those areas leased to or operated by a person licensed pursuant to NRS 463.160.
  - (f) Child care facility.
  - (g) Bus used by the general public, other than a chartered bus, or in any maintenance facility or office associated with a bus system operated by any regional transportation commission.

(h) School bus.

2. The person in control of an area listed in paragraph (c), (d), (e), (f) or (g) of subsection 1:

(a) Shall post in the area signs prohibiting smoking in any place not designated for that purpose as provided in paragraph (b).

(b) May designate separate rooms or portions of the area which may be used for smoking.

3. The person in control of a public building:

(a) Shall post in the area signs prohibiting smoking in any place not designated for that purpose as provided in paragraph (b).

(b) Shall, except as otherwise provided in this subsection, designate a separate area which may be used for smoking.

A school district which prohibits the use of tobacco by pupils need not designate an area which may be used by the pupils to smoke.

4. The operator of a restaurant with a seating capacity of 50 or more shall maintain a flexible nonsmoking area within the restaurant and offer each patron the opportunity to be seated in a smoking or nonsmoking area.

5. A business which derives more than 50 percent of its gross receipts from the sale of alcoholic beverages or 50 percent of its gross receipts from gaming operations may be designated as a smoking area in its entirety by the operator of the business.

6. The smoking of tobacco is not prohibited in:

(a) Any room or area designated for smoking pursuant to paragraph (b) of subsection 2 or paragraph (b) of subsection 3.

(b) A licensed gaming establishment. A licensed gaming establishment may designate separate rooms or areas within the establishment which may or may not be used for smoking.

7. The person in control of a child care facility shall not allow children in any room or area he designates for smoking pursuant to paragraph (b) of subsection 2. Any such room or area must be sufficiently separate or ventilated so that there are no irritating or toxic effects of smoke in the other areas of the facility.

8. As used in this section:

(a) "Child care facility" means an establishment licensed pursuant to chapter 432A of NRS to provide care for 13 or more children.

(b) "Licensed gaming establishment" has the meaning ascribed to it in NRS 463.0169.

(c) "Public building" means any building or office space owned or occupied by:

(1) Any component of the University and Community College System of Nevada and used for any purpose related to the system.

(2) The State of Nevada and used for any public purpose, other than that used by the department of prisons to house or provide other services to offenders.

(3) Any county, city, school district or other political subdivision of the state and used for any public purpose.

If only part of a building is owned or occupied by an entity described in this paragraph, the term means only that portion of the building which is so owned or occupied.

(d) "School bus" has the meaning ascribed to it in NRS 483.160.

(Added to NRS by 1975, 462; A 1977, 649, 958; 1985, 1755; 1987, 428; 1989, 870, 1626; 1991, 591, 644, 1132, 1695; 1993, 363, 2227)

## CHAPTER 205 CRIMES AGAINST PROPERTY

### **FORGERY, COUNTERFEITING AND ISSUANCE OF CHECK OR DRAFT WITH INTENT TO DEFRAUD**

205.130 Issuance of check or draft without sufficient money or credit: Penalties.

1. Except as otherwise provided in this subsection and subsections 2 and 3, a person who willfully, with an intent to defraud, draws or passes a check or draft to obtain:

(a) Money;

(b) Delivery of other valuable property;

(c) Services;

(d) The use of property; or

(e) Credit extended by any licensed gaming establishment,

drawn upon any real or fictitious person, bank, firm, partnership, corporation or depository, when the person has insufficient money, property or credit with the drawee of the instrument to pay it in full upon its presentation, is guilty of a misdemeanor. If that instrument, or a series of instruments passed in the state during a period of 90 days, is in the amount of \$250 or more, the person is guilty of a category D felony and shall be punished as provided in NRS 193.130. In addition to any other penalty, the court shall order the person to pay restitution.

2. A person who was previously convicted three times of a misdemeanor under the provisions of this section, or of an offense of a similar nature, in this state or any other state, or in a federal jurisdiction, who violates this section is guilty of a category D felony and shall be punished as provided in NRS 193.130. In addition to any other penalty, the court shall order the person to pay restitution.

3. A person who willfully issues any check or draft for the payment of wages in excess of \$250, when the person knows he has insufficient money or credit with the drawee of the instrument to pay the instrument in full upon presentation is guilty of a gross misdemeanor.

4. For the purposes of this section, "credit" means an arrangement or understanding with a person, firm, corporation, bank or depository for the payment of a check or other instrument.

[1911 C&P § 407; A 1917, 10; 1925, 346; 1927, 233; 1929, 93; 1941, 308; 1955, 151]--(NRS A 1960, 380; 1961, 58, 309; 1963, 495; 1967, 495; 1969, 1518; 1971, 1336; 1973, 1453; 1975, 755; 1979, 1011; 1983, 856; 1989, 1432; 1995, 1217)

## **FRAUD, FALSE PERSONATION AND CHEATS**

205.460 Preparation, transfer or use of false identification regarding person under 21 years of age; penalties; demand of proof of age as defense to certain proceedings.

1. Every person who counterfeits, forges, alters, erases or obliterates, or who attempts to counterfeit, forge, alter, erase or obliterate any card, writing, paper or document, or any photocopy print, photostat, or other replica of any card, writing, paper or document which is designed for the purpose of personal identification and which bears the age of the holder or purported holder thereof, or which, although not designed for the purpose of personal identification, is commonly used, or capable of being used for the purpose of personal identification and bears the age of the holder or purported holder thereof, with the intention that such card, writing, paper or document, or photocopy print, photostat or other replica thereof, be used by a person under the age of 21 years to establish falsely or misrepresent his actual age for the purpose of purchasing alcoholic liquor or being served alcoholic liquor in a place where it is served for consumption on the premises, or entering gambling establishments, or engaging in gambling in gambling establishments, shall be guilty of a misdemeanor. For the purposes of this subsection, the cards, writings, papers or documents and the photocopy prints or other replicas thereof which, although not designed for the purpose of personal identification, are commonly used, or capable of being used, for the purpose of personal identification, include, but are not limited to, an operator's license, chauffeur's license, fishing or hunting license, selective service card, organizational membership card, certificate of discharge from the Armed Forces, or certificate or other record of birth.

2. Every person who sells, lends, gives away or offers, or attempts to sell, lend, give away or offer, any counterfeited, forged, altered, erased or obliterated card, writing, paper or document, or photocopy print, photostat or other replica thereof, of the kind mentioned in subsection 1, to a person under the age of 21 years, shall be guilty of a gross misdemeanor.

3. Every person under the age of 21 years who uses or attempts to use or proffers any counterfeited, forged, erased or obliterated card, writing, paper, document, or any photocopy print, photostat or other replica thereof, of the kind mentioned in subsection 1, for the purpose and with the intention of purchasing alcoholic liquor or being served alcoholic liquor in a place where it is served for consumption on the premises, or entering gambling establishments, or engaging in gambling in gambling establishments, or who actually purchases alcoholic liquor or is actually served alcoholic liquor in a place where it is served for consumption on the premises, or actually enters a gambling establishment or actually gambles therein, when the purchase, service, entering or gambling is induced or permitted by the presentation of any such

card, writing, paper or document, or any photocopy print, photostat or other replica thereof, shall be guilty of a misdemeanor.

4. In any criminal prosecution or proceeding for the suspension or revocation of any license based upon the violation of any law making it unlawful to sell, serve or furnish a person under the age of 21 years alcoholic liquor or upon violation of any law making it unlawful to allow a person under the age of 21 years to enter a gambling establishment or engage in gambling in a gambling establishment, proof that the defendant licensee, or his agent or employee, demanded and was shown, immediately before furnishing any alcoholic liquor to a person under the age of 21 years or allowing a person under the age of 21 years to enter a gambling establishment or engage in gambling in a gambling establishment, bona fide documentary evidence of the majority and identity of the person issued by a federal, state, county or municipal government, or subdivision or agency thereof, including, but not limited to, an operator's license for a motor vehicle, a registration certificate issued under the Federal Selective Service Act, or an identification card issued to a member of the Armed Forces, is a defense to the prosecution or proceeding for the suspension or revocation of any license.

[1:367:1955] + [2:367:1955] + [3:367:1955]--(NRS A 1959, 149; 1991, 391)

## CHAPTER 207 MISCELLANEOUS CRIMES

### MISCELLANEOUS

207.195 Use of monetary instrument proceeding or derived from unlawful activity; conducting financial transaction with intent to evade regulation governing records of casinos.

1. If a monetary instrument represents the proceeds of or is directly or indirectly derived from any unlawful activity, it is unlawful for a person, having knowledge of that fact:

(a) To conduct or attempt to conduct a financial transaction involving the instrument:

(1) With the intent to further any unlawful activity;

(2) With the knowledge that the transaction conceals the location, source, ownership or control of the instrument; or

(3) With the knowledge that the transaction evades any provision of federal or state law that requires the reporting of a financial transaction.

(b) To transport or attempt to transport the monetary instrument:

(1) With the intent to further any unlawful activity;

(2) With the knowledge that the transportation conceals the location, source, ownership or control of any proceeds derived from unlawful activity; or

(3) With the knowledge that the transportation evades any provision of federal or state law that requires the reporting of a financial transaction.

2. It is unlawful for any person to conduct or attempt to conduct a financial transaction with the intent to evade a regulation adopted pursuant to NRS 463.125.

3. A person who violates any provision of subsection 1 or 2 is guilty of a category D felony and shall be punished as provided in NRS 193.130.

4. Each violation of subsection 1 or 2 involving one or more monetary instruments totaling \$10,000 or more shall be deemed a separate offense.

5. As used in this section:

(a) "Financial transaction" means any purchase, sale, loan, pledge, gift, transfer, deposit, withdrawal or other exchange involving a monetary instrument. The term does not include any instrument or transaction for the payment of assistance of counsel in a criminal prosecution.

(b) "Monetary instrument" includes any coin or currency of the United States or any other country, any traveler's check, personal check, money order, bank check, cashier's check, stock, bond, precious metal, precious stone or gem or any negotiable instrument to which title passes upon delivery. The term does not include any instrument or transaction for the payment of assistance of counsel in a criminal prosecution.

(c) "Unlawful activity" includes any crime related to racketeering as defined in NRS 207.360 or any offense punishable as a felony pursuant to state or federal statute. The term does not include any procedural error in the acceptance of a credit instrument, as defined in NRS 463.01467, by a person who holds a

nonrestricted gaming license.  
(Added to NRS by 1991, 181; A 1995, 430, 1240, 1332)

## **TITLE 18 STATE EXECUTIVE DEPARTMENT**

### **CHAPTER 231 ECONOMIC DEVELOPMENT AND TOURISM**

#### **COMMISSION ON ECONOMIC DEVELOPMENT**

231.040Members: Appointment; qualifications.

1. The commission on economic development is composed of the lieutenant governor, who is its chairman, and six members who are appointed by the governor.
2. The governor shall appoint as members of the commission persons who have proven experience in economic development which was acquired by them while engaged in finance, manufacturing, mining, agriculture, the field of transportation, or in general business other than tourism or gaming.
3. The governor shall appoint at least one member who is a resident of:
  - (a) Clark County.
  - (b) Washoe County.
  - (c) A county whose population is 35,000 or less.

[4:322:1955]--(NRS A 1969, 231; 1983, 1167; 1985, 1575; 1989, 1911; 1991, 464)

#### **COMMISSION ON TOURISM**

231.170Members: Appointment; qualifications.

1. The commission on tourism is composed of the lieutenant governor, who is its chairman, and six members who are appointed by the governor.
2. The governor shall appoint as members of the commission persons who are informed on and have experience in travel and tourism, including the business of gaming.
3. The chief administrative officers of county fair and recreation boards of counties whose population is 100,000 or more are ex officio but nonvoting members of the commission.
4. The governor shall appoint at least one member who is a resident of:
  - (a) Clark County.
  - (b) Washoe County.
  - (c) A county whose population is 35,000 or less.

(Added to NRS by 1983, 1162; A 1985, 1576; 1989, 1912; 1991, 465)

### **CHAPTER 233B NEVADA ADMINISTRATIVE PROCEDURE ACT**

#### **GENERAL PROVISIONS**

233B.039Applicability.

1. The following agencies are entirely exempted from the requirements of this chapter:
  - (a) The governor.
  - (b) The department of prisons.
  - (c) The University and Community College System of Nevada.
  - (d) The office of the military.
  - (e) The state gaming control board.
  - (f) The Nevada gaming commission.
  - (g) The state board of parole commissioners.

- (h) The welfare division of the department of human resources.
  - (i) The state board of examiners acting pursuant to chapter 217 of NRS.
  - (j) Except as otherwise provided in NRS 533.365, the office of the state engineer.
2. Except as otherwise provided in NRS 391.323, the department of education, the committee on benefits and the commission on professional standards in education are subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.
3. The special provisions of:
- (a) Chapter 612 of NRS for the distribution of regulations by and the judicial review of decisions of the employment security division of the department of employment, training and rehabilitation;
  - (b) Chapters 616A to 617, inclusive, of NRS for the determination of contested claims;
  - (c) Chapter 703 of NRS for the judicial review of decisions of the public service commission of Nevada;
  - (d) Chapter 91 of NRS for the judicial review of decisions of the administrator of the securities division of the office of the secretary of state; and
  - (e) NRS 90.800 for the use of summary orders in contested cases,
- prevail over the general provisions of this chapter.
4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do not apply to the department of human resources in the adjudication of contested cases involving the issuance of letters of approval for health facilities and agencies.
5. The provisions of this chapter do not apply to:
- (a) Any order for immediate action, including, but not limited to, quarantine and the treatment or cleansing of infected or infested animals, objects or premises, made under the authority of the state board of agriculture, the state board of health, the state board of sheep commissioners or any other agency of this state in the discharge of a responsibility for the preservation of human or animal health or for insect or pest control; or
  - (b) An extraordinary regulation of the state board of pharmacy adopted pursuant to NRS 453.2184.
- (Added to NRS by 1977, 1383; A 1979, 492, 1639; 1981, 1398, 2045, 2046; 1983, 183, 970, 1528; 1985, 1366; 1987, 327, 1014, 1294, 2191; 1989, 160, 1650; 1991, 663, 1665; 1993, 367, 859, 1493, 2084, 2085; 1995, 128, 582)

## CHAPTER 233H NEVADA COMMISSION ON SPORTS

233H.020 Creation; members; terms; vacancies; chairman and vice chairman; removal.

1. The Nevada commission on sports, consisting of nine members appointed by the governor and two nonvoting members selected from the legislature, is hereby created.
  2. The governor shall appoint to the commission:
    - (a) One member who is experienced in promoting physical fitness;
    - (b) One member who is experienced in promoting sports for physically disabled persons or persons with mental retardation;
    - (c) One member who has competed in the Olympic Games;
    - (d) Three members who are experienced in promoting amateur sports;
    - (e) One member who represents the gaming industry;
    - (f) One member who represents the mining industry; and
    - (g) One member who represents the public utilities and similar entities.
  3. The majority leader of the senate and the speaker of the assembly shall appoint one member of the senate and one member of the assembly, respectively, to serve as nonvoting members of the commission for terms of 2 years.
  4. If a vacancy occurs during the term of a member appointed by the governor, the governor shall appoint a person similarly qualified to replace that member for the remainder of the unexpired term.
  5. The commission shall elect a chairman and a vice chairman from among its voting members.
  6. The governor may remove a member from the commission if the member neglects his duty or commits malfeasance in office.
- (Added to NRS by 1989, 2123)

## **TITLE 19 MISCELLANEOUS MATTERS RELATED TO GOVERNMENT AND PUBLIC AFFAIRS**

### **CHAPTER 239A DISCLOSURE OF FINANCIAL RECORDS TO GOVERNMENTAL AGENCIES**

239A.080 Examination and disclosure of financial records: Restrictions; exception.

Except as provided in subsection 3 and NRS 239A.070 and 239A.150:

1. An officer, employee or agent of a governmental agency shall not request or receive the financial records of any customer from a financial institution unless:

- (a) The request relates to a lawful investigation of the customer;
- (b) The financial records are described in the request with particularity and are consistent with the scope and requirements of the investigation; and
- (c) The officer, employee or agent furnishes the financial institution with a customer authorization, subpoena or search warrant authorizing examination or disclosure of such records as provided in this chapter.

2. A director, officer, employee or agent of a financial institution shall not provide or authorize another person to provide to an officer, employee or agent of a governmental agency any financial records of a customer if the director, officer, employee or agent of the financial institution knows or has reason to believe that the financial records are being requested in connection with an investigation of the customer, unless the request is accompanied by a customer authorization, subpoena or search warrant authorizing examination or disclosure of such records as provided in this chapter.

3. This section does not apply to any officer, employee or agent of the state gaming control board who is acting with the written permission of the customer whose records are being requested.

(Added to NRS by 1977, 986)

### **CHAPTER 242 INFORMATION SERVICES**

#### **SERVICES**

242.031 "Department" defined.

"Department" means the department of information services.

(Added to NRS by 1981, 1143; A 1993, 1540)

## **TITLE 20 COUNTIES AND TOWNSHIPS: FORMATION, GOVERNMENT AND OFFICERS**

### **CHAPTER 244 COUNTIES: GOVERNMENT, REGULATION, TAXATION AND LICENSING OF BUSINESSES AND OCCUPATIONS**

244.335 Powers of commissioners and county license boards; application for certain licenses; license tax as lien; confidential information.

1. Except as otherwise provided in subsection 2, the board of county commissioners may:

- (a) Regulate all character of lawful trades, callings, industries, occupations, professions and business conducted in its county outside of the limits of incorporated cities and towns.
- (b) Except as otherwise provided in NRS 244.3359, fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on such trades, callings, industries, occupations, professions and business.

2. The county license boards have the exclusive power in their respective counties to regulate entertainers employed by an entertainment by referral service and the business of conducting a dancing hall, escort

service, entertainment by referral service or gambling game or device permitted by law, outside of an incorporated city. The county license boards may fix, impose and collect license taxes for revenue or for regulation, or for both revenue and regulation, on such employment and businesses.

3. No license to engage in any type of business may be granted unless the applicant for the license signs an affidavit affirming that the business has complied with the provisions of chapter 364A of NRS. The county license board shall provide upon request an application for a business license pursuant to chapter 364A of NRS.

4. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license presents written evidence that:

(a) The department of taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(b) Another regulatory agency of the state has issued or will issue a license required for this activity.

5. Any license tax levied for the purposes of NRS 244.3358 or 244A.597 to 244A.655, inclusive, constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. The lien must be enforced in the following manner:

(a) By recording in the office of the county recorder, within 6 months after the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:

(1) The amount of tax due and the appropriate year;

(2) The name of the record owner of the property;

(3) A description of the property sufficient for identification; and

(4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and

(b) By an action for foreclosure against the property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

6. The board of county commissioners may delegate the authority to enforce liens from taxes levied for the purposes of NRS 244A.597 to 244A.655, inclusive, to the county fair and recreation board. If the authority is so delegated, the board of county commissioners shall revoke or suspend the license of a business upon certification by the county fair and recreation board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 244.3357, all information concerning license taxes levied by an ordinance authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the payment of such license taxes or as the result of any audit or examination of the books by any authorized employee of a county fair and recreation board of the county for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, officer or employee of the county fair and recreation board or the county imposing the license tax unless the disclosure is authorized by the affirmative action of a majority of the members of the appropriate county fair and recreation board. Continuing disclosure may be so authorized under an agreement with the department of taxation for the exchange of information concerning taxpayers.

[Part 8:80:1865; A 1871, 47; 1931, 52; 1933, 203; 1953, 681]--(NRS A 1959, 220; 1961, 364; 1963, 794; 1971, 497; 1973, 324; 1977, 818; 1979, 727; 1983, 759; 1985, 386; 1987, 2306; 1989, 242, 906, 1970; 1991, 27, 165, 2461; 1993, 2651; 1995, 2803)

244.345Dancing halls, escort services, entertainment by referral services and gambling games or devices; limitation on licensing of houses of prostitution.

1. Every natural person wishing to be employed as an entertainer for an entertainment by referral service and every natural person, firm, association of persons or corporation wishing to engage in the business of conducting a dancing hall, escort service, entertainment by referral service or gambling game or device permitted by law, outside of an incorporated city, must:

(a) Make application to the license board of the county in which the employment or business is to be engaged in, for a county license of the kind desired. The application must be in a form prescribed by the regulations of the license board.

(b) File the application with the required license fee with the county license collector, as provided in chapter 364 of NRS, who shall present the application to the license board at its next regular meeting. The board, in counties whose population is less than 400,000, may refer the petition to the sheriff, who shall report upon it at the following regular meeting of the board. In counties whose population is 400,000 or more, the board shall refer the petition to the metropolitan police department. The department shall conduct an investigation relating to the petition and report its findings to the board at the next regular meeting of the board. The board shall at that meeting grant or refuse the license prayed for or enter any other order consistent with its regulations. Except in the case of an application for a license to conduct a gambling game or device, the county license collector may grant a temporary permit to an applicant, valid only until the next regular meeting of the board. In unincorporated towns and cities governed pursuant to the provisions of chapter 269 of NRS, the license board has the exclusive power to license and regulate the employment and businesses mentioned in this subsection.

2. The board of county commissioners, and in a county whose population is less than 400,000, the sheriff of that county constitute the license board, and the county clerk or other person designated by the license board is the clerk thereof, in the respective counties of this state.

3. The license board may, without further compensation to the board or its clerk:

(a) Fix, impose and collect license fees upon the employment and businesses mentioned in this section.

(b) Grant or deny applications for licenses and impose conditions, limitations and restrictions upon the licensee.

(c) Adopt, amend and repeal regulations relating to licenses and licensees.

(d) Restrict, revoke or suspend licenses for cause after hearing. In an emergency the board may issue an order for immediate suspension or limitation of a license, but the order must state the reason for suspension or limitation and afford the licensee a hearing.

4. The license board shall hold a hearing before adopting proposed regulations, before adopting amendments to regulations, and before repealing regulations relating to the control or the licensing of the employment or businesses mentioned in this section. Notice of the hearing must be published in a newspaper published and having general circulation in the county at least once a week for 2 weeks before the hearing.

5. Upon adoption of new regulations the board shall designate their effective date, which may not be earlier than 15 days after their adoption. Immediately after adoption a copy of any new regulations must be available for public inspection during regular business hours at the office of the county clerk.

6. A majority vote of the members of the license board present governs in the transaction of all business. A majority of the members constitutes a quorum for the transaction of business.

7. Any natural person, firm, association of persons or corporation who engages in the employment of any of the businesses mentioned in this section without first having obtained the license and paid the license fee as provided in this section is guilty of a misdemeanor.

8. In a county whose population is 400,000 or more, the license board shall not grant any license to a petitioner for the purpose of operating a house of ill fame or repute or any other business employing any person for the purpose of prostitution.

9. As used in this section:

(a) "Entertainer for an entertainment by referral service" means a natural person who is sent or referred for a fee to a hotel or motel room, home or other accommodation by an entertainment by referral service for the purpose of entertaining the person located in the hotel or motel room, home or other accommodation.

(b) "Entertainment by referral service" means a person or group of persons who send or refer another person to a hotel or motel room, home or other accommodation for a fee in response to a telephone or other request for the purpose of entertaining the person located in the hotel or motel room, home or other accommodation.

[1:50:1923; NCL § 2037] + [2:50:1923; NCL § 2038] + [3:50:1923; NCL § 2039] + [4:50:1923; NCL § 2040]--(NRS A 1959, 838; 1961, 364; 1971, 11; 1973, 923; 1975, 562; 1979, 20, 305, 511, 728, 730, 732, 733; 1989, 1899; 1991, 166)

244.353 Revocation or suspension of work permit or identification card for licensed gambling establishment: Appeal to county commissioners.

Whenever under the provisions of any law or county ordinance a person is required to obtain a work permit or identification card from the sheriff or other county officer as a condition of employment in a licensed gambling establishment, and such work permit or identification card is revoked or suspended by the sheriff or other county officer, the person aggrieved may appeal therefrom to the board of county commissioners.

(Added to NRS by 1959, 589)

## CHAPTER 244A COUNTIES: FINANCING OF PUBLIC IMPROVEMENTS, COUNTY FAIR AND RECREATION BOARDS

### GENERAL PROVISIONS

244A.601 County fair and recreation board in county whose population is 100,000 or more but less than 400,000: Number, appointment and terms of members; vacancies.

1. In any county whose population is 100,000 or more, and less than 400,000, the county fair and recreation board consists of 12 members who are appointed as follows:

(a) Two members by the board of county commissioners.

(b) Two members by the governing body of the largest incorporated city in the county.

(c) One member by the governing body of the next largest incorporated city in the county.

(d) Except as otherwise provided in subsection 2, seven members by the members appointed pursuant to paragraphs (a), (b) and (c). The members entitled to vote shall select:

(1) One member who is a representative of air service interests from a list of nominees submitted by the Airport Authority of Washoe County. The nominees must not be elected officers.

(2) One member who is a representative of motel operators from a list of nominees submitted by one or more associations that represent the motel industry.

(3) One member who is a representative of banking or other financial interests from a list of nominees submitted by the chamber of commerce of the largest incorporated city in the county.

(4) One member who is a representative of other business or commercial interests from a list of nominees submitted by the chamber of commerce of the largest incorporated city in the county.

(5) Three members who are representatives of the association of gaming establishments whose membership collectively paid the most gross revenue fees to the state pursuant to NRS 463.370 in the county in the preceding year, from a list of nominees submitted by the association. If there is no such association, the three appointed members must be representative of gaming.

If the members entitled to vote find the nominees on a list of nominees submitted pursuant to this paragraph unacceptable, they shall request a new list of nominees.

2. The terms of members appointed pursuant to paragraphs (a), (b) and (c) of subsection 1 are coterminous with their terms of office. The members appointed pursuant to paragraph (d) of subsection 1 must be appointed for 2-year terms. Any vacancy occurring on the board must be filled by the authority entitled to appoint the member whose position is vacant. Each member appointed pursuant to paragraph (d) of subsection 1 may succeed himself only once.

3. If a member ceases to be engaged in the business or occupation which he was appointed to represent, he ceases to be a member, and another person engaged in that business or occupation must be appointed for the unexpired term.

4. Any member appointed by the board of county commissioners or a governing body of a city must be a member of the appointing board or body.

(Added to NRS by 1977, 817; A 1979, 516; 1983, 1663; 1989, 1903; 1991, 819, 1977; 1995, 2804)

244A.621 Additional powers of board.

The county fair and recreation board, in addition to the other powers conferred upon a county fair and recreation board by NRS 244A.597 to 244A.655, inclusive, may:

1. Set aside a fund in an amount that it considers necessary and which may be expended in the discretion of the board to promote or attract conventions, meetings and like gatherings that will utilize the recreational

facilities authorized by NRS 244A.597. The expenditure is hereby declared to be an expenditure made for a public purpose.

2. Solicit and promote tourism and gaming generally, both individually and through annual grants in cash or in kind including lease of its facilities to the chambers of commerce of the incorporated cities within the county which respectively represent all of the residents of those cities, or other nonprofit groups or associations, and further promote generally the use of its facilities, pursuant to lease agreements, by organized groups or by the general public for the holding of conventions, expositions, trade shows, entertainment, sporting events, cultural activities or similar uses reasonably calculated to produce revenue for the board and to enhance the general economy. The promotion of tourism, gaming or the use of facilities may include advertising the facilities under control of the board and the resources of the community or area, including tourist accommodations, transportation, entertainment, gaming and climate. The advertising may be done jointly with a private enterprise.

3. Enter into contracts for advertising pursuant to this section and pay the cost of the advertising, including a reasonable commission.

(Added to NRS by 1967, 1379; A 1973, 1513; 1983, 1170; 1989, 1018, 1192)

## **BONDS FOR RECREATIONAL FACILITIES**

244A.645 Powers of county fair and recreation board concerning license taxes assigned or appropriated by cities, towns and counties.

In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:

1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:

(a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and

(b) Creating an office and hiring personnel therefor.

2. Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer. The incorporated cities collectively and any county may enter into an agreement with the board for the payment of collection fees which may be more or less than 10 percent of the gross revenues collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed 10 percent of the combined gross revenues so collected.

3. Defray further with the proceeds of any such tax the costs of the county fair and recreation board and of officers, agents and employees hired thereby, and of incidentals incurred thereby, of operating and maintaining recreational facilities under the jurisdiction of the board, including, without limiting the generality of the foregoing, the payment of reasonable promotional expenses pertaining thereto, payment of reasonable expenses pertaining to the promotion of tourism and gaming generally, both individually and through grants to the chambers of commerce of the incorporated cities of the county or other nonprofit groups or associations, and of improving, extending and bettering any recreational facilities authorized by NRS 244A.597 to 244A.655, inclusive, including, but not limited to, making annual grants to the state, the county and incorporated cities in the county for capital improvements for recreational facilities, and of constructing, purchasing or otherwise acquiring any such recreational facilities.

4. Redeem any general obligation bonds of the county issued pursuant to NRS 244A.597 to 244A.655, inclusive, principal, interest and any prior redemption premium, regardless of whether such taxes are pledged as additional security for their payment.

5. Make contracts from time to time concerning any such license taxes, notwithstanding any such contract may limit the exercise of powers pertaining thereto, including the right of any city, town or the county from time to time to increase, decrease or otherwise modify the tax; but no such change may be made which prejudicially affects any pledge of tax proceeds as additional security for the payment of bonds issued

pursuant to NRS 244A.597 to 244A.655, inclusive, and each other political subdivision assigning or appropriating such taxes pertaining thereto must consent to any such modification.

6. Make rules and regulations concerning such license taxes, and provide penalties for the failure to comply therewith.

(Added to NRS by 1960, 180; A 1973, 1511; 1975, 551; 1989, 1019; 1993, 2652)

244A.647 Collected license taxes held in trust.

All taxes, levied by a city, town or county for use in connection with NRS 244A.597 to 244A.655, inclusive, and collected by any motel, hotel or gaming establishment are public moneys from the moment of their collection and shall be held in trust by the establishment collecting such taxes for the use and benefit of the city, town or county levying such taxes or for the use of the county fair and recreation board where such revenues have been assigned or appropriated to the county fair and recreation board.

(Added to NRS by 1969, 874)--(Substituted in revision for NRS 244.744)

## **TITLE 21 CITIES AND TOWNS**

### **CHAPTER 269 UNINCORPORATED TOWNS**

#### **LICENSING AND REGULATION OF PROFESSIONS**

#### **TRADES AND BUSINESSES**

269.170 Powers of town board or board of county commissioners; application for certain licenses; license tax as lien; exchange of information with department of taxation.

1. The town board or board of county commissioners may in any unincorporated town:

(a) Fix and collect a license tax on, and regulate, having due regard to the amount of business done by each person or firm so licensed, all places of business and amusement so licensed, as follows:

(1) Artisans, artists, assayers, auctioneers, bakers, banks and bankers, barbers, boilermakers, cellars and places where soft drinks are kept or sold, clothes cleaners, foundries, laundries, lumberyards, manufacturers of soap, soda, borax or glue, markets, newspaper publishers, pawnbrokers, funeral directors and wood and coal dealers.

(2) Bootmakers, cobblers, dressmakers, milliners, shoemakers, tailors.

(3) Boardinghouses, hotels, lodginghouses, restaurants and refreshment saloons.

(4) Barrooms, gaming, manufacturers of liquors and other beverages, saloons.

(5) Billiard tables, bowling alleys, caravans, circuses, concerts and other exhibitions, dance houses, melodeons, menageries, shooting galleries, skating rinks, theaters.

(6) Corrals, hay yards, livery and sale stables, wagon yards.

(7) Electric light companies, illuminating gas companies, power companies, telegraph companies, telephone companies, water companies.

(8) Carts, drays, express companies, freight companies, job wagons, omnibuses and stages.

(9) Brokers, commission merchants, factors, general agents, mercantile agents, merchants and traders, stockbrokers.

(10) Drummers, hawkers, peddlers, solicitors.

(11) Insurance agents, brokers, analysts, adjusters and managing general agents within the limitations and under the conditions prescribed in NRS 680B.020.

(b) Fix and collect a license tax upon all professions, trades or business within the town not specified in paragraph (a).

2. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license presents written evidence that:

(a) The department of taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(b) Another regulatory agency of the state has issued or will issue a license required for this activity.

3. Any license tax levied for the purposes of NRS 244A.597 to 244A.655, inclusive, constitutes a lien upon

the real and personal property of the business upon which the tax was levied until the tax is paid. The lien must be enforced in the same manner as liens for ad valorem taxes on real and personal property. The town board or other governing body of the unincorporated town may delegate the power to enforce such liens to the county fair and recreation board.

4. The governing body or the county fair and recreation board may agree with the department of taxation for the continuing exchange of information concerning taxpayers.

[Part 1:48:1881; A 1889, 43; 1903, 55; 1919, 408; 1943, 65; 1951, 455]--(NRS A 1961, 49; 1967, 1728; 1969, 874; 1971, 1922; 1983, 122, 762; 1985, 263)

269.175 Power to license, regulate or suppress certain businesses.

The boards of county commissioners may in any unincorporated town in their respective counties license, tax, regulate, prohibit and suppress all tippling houses, dramshops, public card tables, raffles, hawkers, peddlers, pawnbrokers, gambling houses, disorderly houses and houses of ill fame.

[Part 1:48:1881; A 1889, 43; 1903, 55; 1919, 408; 1943, 65; 1951, 455]--(NRS A 1985, 265)

## **TITLE 22 COOPERATIVE AGREEMENTS BY PUBLIC AGENCIES; PLANNING AND ZONING; DEVELOPMENT AND REDEVELOPMENT**

### **CHAPTER 277 COOPERATIVE AGREEMENTS: STATE, COUNTIES, CITIES, DISTRICTS AND OTHER PUBLIC AGENCIES**

#### **INTERLOCAL COOPERATION ACT**

277.105 Consolidation of governmental services: Permanent administrative entity to perform specific functions; negotiations concerning contributions to budget of entity. [Expires by limitation upon proclamation of executive director of department of taxation that no saving of total public expenditure resulted from consolidation of services.]

1. In a county in which governmental services are consolidated, the governing bodies may establish a permanent administrative entity to perform specific functions throughout the participating cities and in the unincorporated area of the county, including, but not limited to:

- (a) Prevention and suppression of fire.
- (b) Sanitation and sewerage.
- (c) Planning, regulation of use of land and buildings, inspection of buildings for safety, and the issuance of building permits.
- (d) Regulation of business and gaming and issuance of business and gaming licenses.
- (e) Provision of parks and recreation, including the maintenance of existing facilities.
- (f) Provision of informational systems and data processing for the county and participating cities.
- (g) General services and the maintenance of buildings and vehicles for the county and participating cities.

2. The county and each participating city may negotiate concerning the manner of contributing to the budget of the administrative entity in proportion to the sum of revenues derived by each from taxes, licenses for business and gaming, and fees for services performed, in each city and in the unincorporated area of the county, respectively.

(Added to NRS by 1993, 1453)

#### **TAHOE REGIONAL PLANNING COMPACT**

277.200 Text of compact. [Effective until approval by the Congress of the United States of the proposed amendments.]

The Tahoe Regional Planning Compact is as follows:

##### **Tahoe Regional Planning Compact**

## **ARTICLE I. Findings and Declarations of Policy**

(a) It is found and declared that:

- (1) The waters of Lake Tahoe and other resources of the region are threatened with deterioration or degeneration, which endangers the natural beauty and economic productivity of the region.
  - (2) The public and private interests and investments in the region are substantial.
  - (3) The region exhibits unique environmental and ecological values which are irreplaceable.
  - (4) By virtue of the special conditions and circumstances of the region's natural ecology, developmental pattern, population distribution and human needs, the region is experiencing problems of resource use and deficiencies of environmental control.
  - (5) Increasing urbanization is threatening the ecological values of the region and threatening the public opportunities for use of the public lands.
  - (6) Maintenance of the social and economic health of the region depends on maintaining the significant scenic, recreational, educational, scientific, natural and public health values provided by the Lake Tahoe Basin.
  - (7) There is a public interest in protecting, preserving and enhancing these values for the residents of the region and for visitors to the region.
  - (8) Responsibilities for providing recreational and scientific opportunities, preserving scenic and natural areas, and safeguarding the public who live, work and play in or visit the region are divided among local governments, regional agencies, the states of California and Nevada, and the Federal Government.
  - (9) In recognition of the public investment and multistate and national significance of the recreational values, the Federal Government has an interest in the acquisition of recreational property and the management of resources in the region to preserve environmental and recreational values, and the Federal Government should assist the states in fulfilling their responsibilities.
  - (10) In order to preserve the scenic beauty and outdoor recreational opportunities of the region, there is a need to insure an equilibrium between the region's natural endowment and its man-made environment.
- (b) In order to enhance the efficiency and governmental effectiveness of the region, it is imperative that there be established a Tahoe Regional Planning Agency with the powers conferred by this compact including the power to establish environmental threshold carrying capacities and to adopt and enforce a regional plan and implementing ordinances which will achieve and maintain such capacities while providing opportunities for orderly growth and development consistent with such capacities.
  - (c) The Tahoe Regional Planning Agency shall interpret and administer its plans, ordinances, rules and regulations in accordance with the provisions of this compact.

## **ARTICLE II. Definitions**

As used in this compact:

- (a) "Region," includes Lake Tahoe, the adjacent parts of Douglas and Washoe counties and Carson City, which for the purposes of this compact shall be deemed a county, lying within the Tahoe Basin in the State of Nevada, and the adjacent parts of the Counties of Placer and El Dorado lying within the Tahoe Basin in the State of California, and that additional and adjacent part of the County of Placer outside of the Tahoe Basin in the State of California which lies southward and eastward of a line starting at the intersection of the basin crestline and the north boundary of Section 1, thence west to the northwest corner of Section 3, thence south to the intersection of the basin crestline and the west boundary of Section 10; all sections referring to Township 15 North, Range 16 East, M.D.B. & M. The region defined and described herein shall be as precisely delineated on official maps of the agency.
- (b) "Agency" means the Tahoe Regional Planning Agency.
- (c) "Governing body" means the governing board of the Tahoe Regional Planning Agency.
- (d) "Regional plan" means the long-term general plan for the development of the region.
- (e) "Planning commission" means the advisory planning commission appointed pursuant to subdivision (h) of Article III.
- (f) "Gaming" means to deal, operate, carry on, conduct, maintain or expose for play any banking or percentage game played with cards, dice or any mechanical device or machine for money, property, checks, credit or any representative of value, including, without limiting the generality of the foregoing, faro, monte, roulette, keno, bingo, fantan, twenty-one, blackjack, seven-and-a-half, big injun, klondike, craps, stud poker, draw poker or slot machine, but does not include social games played solely for drinks, or cigars or cigarettes served individually, games played in private homes or residences for prizes or games

- operated by charitable or educational organizations, to the extent excluded by applicable state law.
- (g) "Restricted gaming license" means a license to operate not more than 15 slot machines on which a quarterly fee is charged pursuant to NRS 463.373 and no other games.
  - (h) "Project" means an activity undertaken by any person, including any public agency, if the activity may substantially affect the land, water, air, space or any other natural resources of the region.
  - (i) "Environmental threshold carrying capacity" means an environmental standard necessary to maintain a significant scenic, recreational, educational, scientific or natural value of the region or to maintain public health and safety within the region. Such standards shall include but not be limited to standards for air quality, water quality, soil conservation, vegetation preservation and noise.
  - (j) "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social and technological factors.
  - (k) "Areas open to public use" means all of the areas within a structure housing gaming under a nonrestricted license except areas devoted to the private use of guests.
  - (l) "Areas devoted to private use of guests" means hotel rooms and hallways to serve hotel room areas, and any parking areas. A hallway serves hotel room areas if more than 50 percent of the areas on each side of the hallway are hotel rooms.
  - (m) "Nonrestricted license" means a gaming license which is not a restricted gaming license.

### **ARTICLE III. Organization**

- (a) There is created the Tahoe Regional Planning Agency as a separate legal entity.  
The governing body of the agency shall be constituted as follows:
  - (1) California delegation:
    - (A) One member appointed by each of the County Boards of Supervisors of the Counties of El Dorado and Placer and one member appointed by the City Council of the City of South Lake Tahoe. Any such member may be a member of the county board of supervisors or city council, respectively, and shall reside in the territorial jurisdiction of the governmental body making the appointment.
    - (B) Two members appointed by the Governor of California, one member appointed by the Speaker of the Assembly of California and one member appointed by the Senate Rules Committee of the State of California. The members appointed pursuant to this subparagraph shall not be residents of the region and shall represent the public at large within the State of California.
  - (2) Nevada delegation:
    - (A) One member appointed by each of the boards of county commissioners of Douglas and Washoe counties and one member appointed by the board of supervisors of Carson City. Any such member may be a member of the board of county commissioners or board of supervisors, respectively, and shall reside in the territorial jurisdiction of the governmental body making the appointment.
    - (B) One member appointed by the governor of Nevada, the secretary of state of Nevada or his designee, and the director of the state department of conservation and natural resources of Nevada or his designee.  
Except for the secretary of state and the director of the state department of conservation and natural resources, the members or designees appointed pursuant to this subparagraph shall not be residents of the region. All members appointed pursuant to this subparagraph shall represent the public at large within the State of Nevada.
- (C) One member appointed for a 1-year term by the six other members of the Nevada delegation. If at least four members of the Nevada delegation are unable to agree upon the selection of a seventh member within 60 days after the effective date of the amendments to this compact or the occurrence of a vacancy on the governing body for that state the governor of the State of Nevada shall make such an appointment. The member appointed pursuant to this subparagraph may, but is not required to, be a resident of the region within the State of Nevada.
  - (3) If any appointing authority under paragraph (1)(A), (1)(B), (2)(A) or (2)(B) fails to make such an appointment within 60 days after the effective date of the amendments to this compact or the occurrence of a vacancy on the governing body, the governor of the state in which the appointing authority is located shall make the appointment. The term of any member so appointed shall be 1 year.
  - (4) The position of any member of the governing body shall be deemed vacant if such a member is absent from three consecutive meetings of the governing body in any calendar year.
  - (5) Each member and employee of the agency shall disclose his economic interests in the region within 10 days after taking his seat on the governing board or being employed by the agency and shall thereafter

disclose any further economic interest which he acquires, as soon as feasible after he acquires it. As used in this paragraph, "economic interests" means:

- (A) Any business entity operating in the region in which the member or employee has a direct or indirect investment worth more than \$1,000;
- (B) Any real property located in the region in which the member or employee has a direct or indirect interest worth more than \$1,000;
- (C) Any source of income attributable to activities in the region, other than loans by or deposits with a commercial lending institution in the regular course of business, aggregating \$250 or more in value received by or promised to the member within the preceding 12 months; or
- (D) Any business entity operating in the region in which the member or employee is a director, officer, partner, trustee, employee or holds any position of management.

No member or employee of the agency shall make, or attempt to influence, an agency decision in which he knows or has reason to know he has an economic interest. Members and employees of the agency must disqualify themselves from making or participating in the making of any decision of the agency when it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the economic interests of the member or employee.

- (b) The members of the agency shall serve without compensation, but the expenses of each member shall be met by the body which he represents in accordance with the law of that body. All other expenses incurred by the governing body in the course of exercising the powers conferred upon it by this compact unless met in some other manner specifically provided, shall be paid by the agency out of its own funds.
- (c) Except for the secretary of state and director of the state department of conservation and natural resources of Nevada and the member appointed pursuant to subdivision (a)(2)(c), the members of the governing body serve at the pleasure of the appointing authority in each case, but each appointment shall be reviewed no less often than every 4 years. Members may be reappointed.
- (d) The governing body of the agency shall meet at least monthly. All meetings shall be open to the public to the extent required by the law of the State of California or the State of Nevada, whichever imposes the greater requirement, applicable to local governments at the time such meeting is held. The governing body shall fix a date for its regular monthly meeting in such terms as "the first Monday of each month," and shall not change such date more often than once in any calendar year. Notice of the date so fixed shall be given by publication at least once in a newspaper or combination of newspapers whose circulation is general throughout the region and in each county a portion of whose territory lies within the region. Notice of any special meeting, except an emergency meeting, shall be given by so publishing the date and place and posting an agenda at least 5 days prior to the meeting.
- (e) The position of a member of the governing body shall be considered vacated upon his loss of any of the qualifications required for his appointment and in such event the appointing authority shall appoint a successor.
- (f) The governing body shall elect from its own members a chairman and vice chairman, whose terms of office shall be 2 years, and who may be reelected. If a vacancy occurs in either office, the governing body may fill such vacancy for the unexpired term.
- (g) Four of the members of the governing body from each state constitute a quorum for the transaction of the business of the agency. The voting procedures shall be as follows:
  - (1) For adopting, amending or repealing environmental threshold carrying capacities, the regional plan, and ordinances, rules and regulations, and for granting variances from the ordinances, rules and regulations, the vote of at least four of the members of each state agreeing with the vote of at least four members of the other state shall be required to take action. If there is no vote of at least four of the members from one state agreeing with the vote of at least four of the members of the other state on the actions specified in this paragraph, an action of rejection shall be deemed to have been taken.
  - (2) For approving a project, the affirmative vote of at least five members from the state in which the project is located and the affirmative vote of at least nine members of the governing body are required. If at least five members of the governing body from the state in which the project is located and at least nine members of the entire governing body do not vote in favor of the project, upon a motion for approval, an action of rejection shall be deemed to have been taken. A decision by the agency to approve a project shall be supported by a statement of findings, adopted by the agency, which indicates that the project complies with the regional plan and with applicable ordinances, rules and regulations of the agency.
  - (3) For routine business and for directing the agency's staff on litigation and enforcement actions, at least eight members of the governing body must agree to take action. If at least eight votes in favor of such

action are not cast, an action of rejection shall be deemed to have been taken.

Whenever under the provisions of this compact or any ordinance, rule, regulation or policy adopted pursuant thereto, the agency is required to review or approve any project, public or private, the agency shall take final action by vote, whether to approve, to require modification or to reject such project, within 180 days after the application for such project is accepted as complete by the agency in compliance with the agency's rules and regulations governing such delivery unless the applicant has agreed to an extension of this time limit. If a final action by vote does not take place within 180 days, the applicant may bring an action in a court of competent jurisdiction to compel a vote unless he has agreed to an extension. This provision does not limit the right of any person to obtain judicial review of agency action under subdivision (h) of Article VI. The vote of each member of the governing body shall be individually recorded. The governing body shall adopt its own rules, regulations and procedures.

(h) An advisory planning commission shall be appointed by the agency. The commission shall include: the chief planning officers of Placer County, El Dorado County, and the City of South Lake Tahoe in California and of Douglas County, Washoe County and Carson City in Nevada, the executive officer of the Lahontan Regional Water Quality Control Board of the State of California, the executive officer of the Air Resources Board of the State of California, the director of the state department of conservation and natural resources of the State of Nevada, the administrator of the division of environmental protection in the state department of conservation and natural resources of the State of Nevada, the administrator of the Lake Tahoe Management Unit of the United States Forest Service, and at least four lay members with an equal number from each state, at least half of whom shall be residents of the region. Any official member may designate an alternate.

The term of office of each lay member of the advisory planning commission shall be 2 years. Members may be reappointed.

The position of each member of the advisory planning commission shall be considered vacated upon loss of any of the qualifications required for appointment, and in such an event the appointing authority shall appoint a successor.

The advisory planning commission shall elect from its own members a chairman and a vice chairman, whose terms of office shall be 2 years and who may be reelected. If a vacancy occurs in either office, the advisory planning commission shall fill such vacancy for the unexpired term.

A majority of the members of the advisory planning commission constitutes a quorum for the transaction of the business of the commission. A majority vote of the quorum present shall be required to take action with respect to any matter.

(i) The agency shall establish and maintain an office within the region, and for this purpose the agency may rent or own property and equipment. Every plan, ordinance and other record of the agency which is of such nature as to constitute a public record under the law of either the State of California or the State of Nevada shall be open to inspection and copying during regular office hours.

(j) Each authority charged under this compact or by the law of either state with the duty of appointing a member of the governing body of the agency shall by certified copy of its resolution or other action notify the Secretary of State of its own state of the action taken.

#### **ARTICLE IV. Personnel**

(a) The governing body shall determine the qualification of, and it shall appoint and fix the salary of, the executive officer of the agency, and shall employ such other staff and legal counsel as may be necessary to execute the powers and functions provided for under this compact or in accordance with any intergovernmental contracts or agreements the agency may be responsible for administering.

(b) Agency personnel standards and regulations shall conform insofar as possible to the regulations and procedures of the civil service of the State of California or the State of Nevada, as may be determined by the governing body of the agency; and shall be regional and bistate in application and effect; provided that the governing body may, for administrative convenience and at its discretion, assign the administration of designated personnel arrangements to an agency of either state, and provided that administratively convenient adjustments be made in the standards and regulations governing personnel assigned under intergovernmental agreements.

(c) The agency may establish and maintain or participate in such additional programs of employee benefits as may be appropriate to afford employees of the agency terms and conditions of employment similar to those enjoyed by employees of California and Nevada generally.

## ARTICLE V. Planning

(a) In preparing each of the plans required by this article and each amendment thereto, if any, subsequent to its adoption, the planning commission after due notice shall hold at least one public hearing which may be continued from time to time, and shall review the testimony and any written recommendations presented at such hearing before recommending the plan or amendment. The notice required by this subdivision shall be given at least 20 days prior to the public hearing by publication at least once in a newspaper or combination of newspapers whose circulation is general throughout the region and in each county a portion of whose territory lies within the region.

The planning commission shall then recommend such plan or amendment to the governing body for adoption by ordinance. The governing body may adopt, modify or reject the proposed plan or amendment, or may initiate and adopt a plan or amendment without referring it to the planning commission. If the governing body initiates or substantially modifies a plan or amendment, it shall hold at least one public hearing thereon after due notice as required in this subdivision.

If a request is made for the amendment of the regional plan by:

- (1) A political subdivision a part of whose territory would be affected by such amendment; or
  - (2) The owner or lessee of real property which would be affected by such amendment,
- the governing body shall complete its action on such amendment within 180 days after such request is accepted as complete according to standards which must be prescribed by ordinance of the agency.
- (b) The agency shall develop, in cooperation with the states of California and Nevada, environmental threshold carrying capacities for the region. The agency should request the President's Council on Environmental Quality, the United States Forest Service and other appropriate agencies to assist in developing such environmental threshold carrying capacities. Within 18 months after the effective date of the amendments to this compact, the agency shall adopt environmental threshold carrying capacities for the region.

(C) Within 1 year after the adoption of the environmental threshold carrying capacities for the region, the agency shall amend the regional plan so that, at a minimum, the plan and all of its elements, as implemented through agency ordinances, rules and regulations, achieves and maintains the adopted environmental threshold carrying capacities. Each element of the plan shall contain implementation provisions and time schedules for such implementation by ordinance. The planning commission and governing body shall continuously review and maintain the regional plan. The regional plan shall consist of a diagram, or diagrams, and text, or texts setting forth the projects and proposals for implementation of the regional plan, a description of the needs and goals of the region and a statement of the policies, standards and elements of the regional plan.

The regional plan shall be a single enforceable plan and includes all of the following correlated elements:

- (1) A land-use plan for the integrated arrangement and general location and extent of, and the criteria and standards for, the uses of land, water, air, space and other natural resources within the region, including but not limited to an indication or allocation of maximum population densities and permitted uses.
- (2) A transportation plan for the integrated development of a regional system of transportation, including but not limited to parkways, highways, transportation facilities, transit routes, waterways, navigation facilities, public transportation facilities, bicycle facilities, and appurtenant terminals and facilities for the movement of people and goods within the region. The goal of transportation planning shall be:
  - (A) To reduce dependency on the automobile by making more effective use of existing transportation modes and of public transit to move people and goods within the region; and
  - (B) To reduce to the extent feasible air pollution which is caused by motor vehicles.

Where increases in capacity are required, the agency shall give preference to providing such capacity through public transportation and public programs and projects related to transportation. The agency shall review and consider all existing transportation plans in preparing its regional transportation plan pursuant to this paragraph.

The plan shall provide for an appropriate transit system for the region.

The plan shall give consideration to:

- (A) Completion of the Loop Road in the states of Nevada and California;
- (B) Utilization of a light rail mass transit system in the South Shore area; and
- (c) Utilization of a transit terminal in the Kingsbury Grade area.

Until the regional plan is revised, or a new transportation plan is adopted in accordance with this paragraph, the agency has no effective transportation plan.

- (3) A conservation plan for the preservation, development, utilization, and management of the scenic and other natural resources within the basin, including but not limited to, soils, shoreline and submerged lands, scenic corridors along transportation routes, open spaces, recreational and historical facilities.
- (4) A recreation plan for the development, utilization, and management of the recreational resources of the region, including but not limited to, wilderness and forested lands, parks and parkways, riding and hiking trails, beaches and playgrounds, marinas, areas for skiing and other recreational facilities.
- (5) A public services and facilities plan for the general location, scale and provision of public services and facilities, which, by the nature of their function, size, extent and other characteristics are necessary or appropriate for inclusion in the regional plan.

In formulating and maintaining the regional plan, the planning commission and governing body shall take account of and shall seek to harmonize the needs of the region as a whole, the plans of the counties and cities within the region, the plans and planning activities of the state, federal and other public agencies and nongovernmental agencies and organizations which affect or are concerned with planning and development within the region.

- (d) The regional plan shall provide for attaining and maintaining federal, state, or local air and water quality standards, whichever are strictest, in the respective portions of the region for which the standards are applicable.

The agency may, however, adopt air or water quality standards or control measures more stringent than the applicable state implementation plan or the applicable federal, state, or local standards for the region, if it finds that such additional standards or control measures are necessary to achieve the purposes of this compact. Each element of the regional plan, where applicable, shall, by ordinance, identify the means and time schedule by which air and water quality standards will be attained.

(e) Except for the Regional Transportation Plan of the California Tahoe Regional Planning Agency, the regional plan, ordinances, rules and regulations adopted by the California Tahoe Regional Planning Agency in effect on July 1, 1980, shall be the regional plan, ordinances, rules and regulations of the Tahoe Regional Planning Agency for that portion of the Tahoe region located in the State of California. Such plan, ordinance, rule or regulation may be amended or repealed by the governing body of the agency. The plans, ordinances, rules and regulations of the Tahoe Regional Planning Agency that do not conflict with, or are not addressed by, the California Tahoe Regional Planning Agency's plans, ordinances, rules and regulations referred to in this subdivision shall continue to be applicable unless amended or repealed by the governing body of the agency. No provision of the regional plan, ordinances, rules and regulations of the California Tahoe Regional Planning Agency referred to in this subdivision shall apply to that portion of the region within the State of Nevada, unless such provision is adopted for the Nevada portion of the region by the governing body of the agency.

- (f) The regional plan, ordinances, rules and regulations of the Tahoe Regional Planning Agency apply to that portion of the region within the State of Nevada.

(g) The agency shall adopt ordinances prescribing specific written findings that the agency must make prior to approving any project in the region. These findings shall relate to environmental protection and shall insure that the project under review will not adversely affect implementation of the regional plan and will not cause the adopted environmental threshold carrying capacities of the region to be exceeded.

(h) The agency shall maintain the data, maps and other information developed in the course of formulating and administering the regional plan, in a form suitable to assure a consistent view of developmental trends and other relevant information for the availability of and use by other agencies of government and by private organizations and individuals concerned.

(i) Where necessary for the realization of the regional plan, the agency may engage in collaborative planning with local governmental jurisdictions located outside the region, but contiguous to its boundaries. In formulating and implementing the regional plan, the agency shall seek the cooperation and consider the recommendations of counties and cities and other agencies of local government, of state and federal agencies, of educational institutions and research organizations, whether public or private, and of civic groups and private persons.

## **ARTICLE VI. Agency's Powers**

(a) The governing body shall adopt all necessary ordinances, rules, and regulations to effectuate the adopted regional plan. Except as otherwise provided in this compact, every such ordinance, rule or regulation shall establish a minimum standard applicable throughout the region. Any political subdivision

or public agency may adopt and enforce an equal or higher requirement applicable to the same subject of regulation in its territory. The regulations of the agency shall contain standards including but not limited to the following: water purity and clarity; subdivision; zoning; tree removal; solid waste disposal; sewage disposal; land fills, excavations, cuts and grading; piers, harbors, breakwaters or channels and other shoreline developments; waste disposal in shoreline areas; waste disposal from boats; mobile-home parks; house relocation; outdoor advertising; flood plain protection; soil and sedimentation control; air pollution; and watershed protection. Whenever possible without diminishing the effectiveness of the regional plan, the ordinances, rules, regulations and policies shall be confined to matters which are general and regional in application, leaving to the jurisdiction of the respective states, counties and cities the enactment of specific and local ordinances, rules, regulations and policies which conform to the regional plan.

The agency shall prescribe by ordinance those activities which it has determined will not have substantial effect on the land, water, air, space or any other natural resources in the region and therefore will be exempt from its review and approval.

Every ordinance adopted by the agency shall be published at least once by title in a newspaper or combination of newspapers whose circulation is general throughout the region. Except an ordinance adopting or amending the regional plan, no ordinance shall become effective until 60 days after its adoption. Immediately after its adoption, a copy of each ordinance shall be transmitted to the governing body of each political subdivision having territory within the region.

(b) No project other than those to be reviewed and approved under the special provisions of subdivisions (d), (e), (f) and (g) may be developed in the region without obtaining the review and approval of the agency and no project may be approved unless it is found to comply with the regional plan and with the ordinances, rules and regulations enacted pursuant to subdivision (a) to effectuate that plan.

The agency may approve a project in the region only after making the written findings required by this subdivision or subdivision (g) of Article V. Such findings shall be based on substantial evidence in the record.

Before adoption by the agency of the ordinances required in subdivision (g) of Article V, the agency may approve a project in the region only after making written findings on the basis of substantial evidence in the record that the project is consistent with the regional plan then in effect and with applicable plans, ordinances, regulations, and standards of federal and state agencies relating to the protection, maintenance and enhancement of environmental quality in the region.

(c) The legislatures of the states of California and Nevada find that in order to make effective the regional plan as revised by the agency, it is necessary to halt temporarily works of development in the region which might otherwise absorb the entire capability of the region for further development or direct it out of harmony with the ultimate plan. Subject to the limitation provided in this subdivision, from the effective date of the amendments to this compact until the regional plan is amended pursuant to subdivision (c) of Article V, or until May 1, 1983, whichever is earlier:

(1) Except as otherwise provided in this paragraph, no new subdivision, planned unit development, or condominium project may be approved unless a complete tentative map or plan has been approved before the effective date of the amendments to this compact by all agencies having jurisdiction. The subdivision of land owned by a general improvement district, which existed and owned the land before the effective date of the amendments to this compact, may be approved if subdivision of the land is necessary to avoid insolvency of the district.

(2) Except as provided in paragraph (3), no apartment building may be erected unless the required permits for such building have been secured from all agencies having jurisdiction, prior to the effective date of the amendments to this compact.

(3) During each of the calendar years 1980, 1981 and 1982, no city or county may issue building permits which authorize the construction of a greater number of new residential units within the region than were authorized within the region by building permits issued by that city or county during the calendar year 1978. For the period of January through April, 1983, building permits authorizing the construction of no more than one-third of that number may be issued by each such city or county. For purposes of this paragraph a "residential unit" means either a single family residence or an individual residential unit within a larger building, such as an apartment building, a duplex or a condominium.

The legislatures find the respective numbers of residential units authorized within the region during the calendar year 1978 to be as follows:

1. City of South Lake Tahoe and El Dorado County (combined) 252
2. Placer County 278

3. Carson City -0-
4. Douglas County 339
5. Washoe County 739

(4) During each of the calendar years 1980, 1981 and 1982, no city or county may issue building permits which authorize construction of a greater square footage of new commercial buildings within the region than were authorized within the region by building permits for commercial purposes issued by that city or county during the calendar year 1978. For the period of January through April, 1983, building permits authorizing the construction of no more than one-third the amount of that square footage may be issued by each such city or county.

The legislatures find the respective square footages of commercial buildings authorized within the region during calendar year 1978 to be as follows:

1. City of South Lake Tahoe and El Dorado County (combined) 64,324
2. Placer County 23,000
3. Carson City -0-
4. Douglas County 57,354
5. Washoe County 50,600

(5) No structure may be erected to house gaming under a nonrestricted license.

(6) No facility for the treatment of sewage may be constructed or enlarged except:

(A) To comply, as ordered by the appropriate state agency for the control of water pollution, with existing limitations of effluent under the Clean Water Act, 33 U.S.C. §§ 1251 et seq., and the applicable state law for control of water pollution;

(B) To accommodate development which is not prohibited or limited by this subdivision; or

(C) In the case of Douglas County Sewer District # 1, to modify or otherwise alter sewage treatment facilities existing on the effective date of the amendments to this compact so that such facilities will be able to treat the total volume of effluent for which they were originally designed, which is 3.0 million gallons per day. Such modification or alteration is not a "project"; is not subject to the requirements of Article VII; and does not require a permit from the agency. Before commencing such modification or alteration, however, the district shall submit to the agency its report identifying any significant soil erosion problems which may be caused by such modifications or alterations and the measures which the district proposes to take to mitigate or avoid such problems.

The moratorium imposed by this subdivision does not apply to work done pursuant to a right vested before the effective date of the amendments to this compact. Notwithstanding the expiration date of the moratorium imposed by this subdivision, no new highway may be built or existing highway widened to accommodate additional continuous lanes for automobiles until the regional transportation plan is revised and adopted.

The moratorium imposed by this subdivision does not apply to the construction of any parking garage which has been approved by the agency prior to May 4, 1979, whether that approval was affirmative or by default. The provisions of this paragraph are not an expression of legislative intent that any such parking garage, the approval of which is the subject of litigation which was pending on the effective date of the amendments to this compact, should or should not be constructed. The provisions of this paragraph are intended solely to permit construction of such a parking garage if a judgment sustaining the agency's approval to construct that parking garage has become final and no appeal is pending or may lawfully be taken to a higher court.

(d) Subject to the final order of any court of competent jurisdiction entered in litigation contesting the validity of an approval by the Tahoe Regional Planning Agency, whether that approval was affirmative or by default, if that litigation was pending on May 4, 1979, the agency and the states of California and Nevada shall recognize as a permitted and conforming use:

(1) Every structure housing gaming under a nonrestricted license which existed as a licensed gaming establishment on May 4, 1979, or whose construction was approved by the Tahoe Regional Planning Agency affirmatively or deemed approved before that date. The construction or use of any structure to house gaming under a nonrestricted license not so existing or approved, or the enlargement in cubic volume of any such existing or approved structure is prohibited.

(2) Every other nonrestricted gaming establishment whose use was seasonal and whose license was issued before May 4, 1979, for the same season and for the number and type of games and slot machines on which taxes or fees were paid in the calendar year 1978.

(3) Gaming conducted pursuant to a restricted gaming license issued before May 4, 1979, to the extent

permitted by that license on that date.

The area within any structure housing gaming under a nonrestricted license which may be open to public use (as distinct from that devoted to the private use of guests and exclusive of any parking area) is limited to the area existing or approved for public use on May 4, 1979. Within these limits, any external modification of the structure which requires a permit from a local government also requires approval from the agency. The agency shall not permit restaurants, convention facilities, showrooms or other public areas to be constructed elsewhere in the region outside the structure in order to replace areas existing or approved for public use on May 4, 1979.

(e) Any structure housing licensed gaming may be rebuilt or replaced to a size not to exceed the cubic volume, height and land coverage existing or approved on May 4, 1979, without the review or approval of the agency or any planning or regulatory authority of the State of Nevada whose review or approval would be required for a new structure.

(f) The following provisions apply to any internal or external modification, remodeling, change in use, or repair of a structure housing gaming under a nonrestricted license which is not prohibited by Article VI (d):

(1) The agency's review of an external modification of the structure which requires a permit from a local government is limited to determining whether the external modification will do any of the following:

(A) Enlarge the cubic volume of the structure;

(B) Increase the total square footage of area open to or approved for public use on May 4, 1979;

(C) Convert an area devoted to the private use of guests to an area open to public use;

(D) Increase the public area open to public use which is used for gaming beyond the limits contained in paragraph (3); and

(E) Conflict with or be subject to the provisions of any of the agency's ordinances that are generally applicable throughout the region.

The agency shall make this determination within 60 days after the proposal is delivered to the agency in compliance with the agency's rules or regulations governing such delivery unless the applicant has agreed to an extension of this time limit. If an external modification is determined to have any of the effects enumerated in subparagraphs (A) through (c), it is prohibited. If an external modification is determined to have any of the effects enumerated in subparagraph (D) or (E), it is subject to the applicable provisions of this compact. If an external modification is determined to have no such effect, it is not subject to the provisions of this compact.

(2) Except as provided in paragraph (3), internal modification, remodeling, change in use or repair of a structure housing gaming under a nonrestricted license is not a project and does not require the review or approval of the agency.

(3) Internal modification, remodeling, change in use or repair of areas open to public use within a structure housing gaming under a nonrestricted license which alone or in combination with any other such modification, remodeling, change in use or repair will increase the total portion of those areas which is actually used for gaming by more than the product of the total base area, as defined below, in square feet existing on or approved before August 4, 1980, multiplied by 15 percent constitutes a project and is subject to all of the provisions of this compact relating to projects. For purposes of this paragraph and the determination required by Article VI (g), base area means all of the area within a structure housing gaming under a nonrestricted license which may be open to public use, whether or not gaming is actually conducted or carried on in that area, except retail stores, convention centers and meeting rooms, administrative offices, kitchens, maintenance and storage areas, rest rooms, engineering and mechanical rooms, accounting rooms and counting rooms.

(g) In order to administer and enforce the provisions of paragraphs (d), (e) and (f) the State of Nevada, through its appropriate planning or regulatory agency, shall require the owner or licensee of a structure housing gaming under a nonrestricted license to provide:

(1) Documents containing sufficient information for the Nevada agency to establish the following relative to the structure:

(A) The location of its external walls;

(B) Its total cubic volume;

(C) Within its external walls, the area in square feet open or approved for public use and the area in square feet devoted to or approved for the private use of guests on May 4, 1979;

(D) The amount of surface area of land under the structure; and

(E) The base area as defined in paragraph (f)(3) in square feet existing on or approved before August 4, 1980.

- (2) An informational report whenever any internal modification, remodeling, change in use, or repair will increase the total portion of the areas open to public use which is used for gaming.  
The Nevada agency shall transmit this information to the Tahoe Regional Planning Agency.
- (h) Gaming conducted pursuant to a restricted gaming license is exempt from review by the agency if it is incidental to the primary use of the premises.
- (i) The provisions of subdivisions (d) and (e) are intended only to limit gaming and related activities as conducted within a gaming establishment, or construction designed to permit the enlargement of such activities, and not to limit any other use of property zoned for commercial use or the accommodation of tourists, as approved by the agency.
- (j) Legal actions arising out of or alleging a violation of the provisions of this compact, of the regional plan or of an ordinance or regulation of the agency or of a permit or a condition of a permit issued by the agency are governed by the following provisions:
- (1) This subdivision applies to:
- (A) Actions arising out of activities directly undertaken by the agency.
- (B) Actions arising out of the issuance to a person of a lease, permit, license or other entitlement for use by the agency.
- (C) Actions arising out of any other act or failure to act by any person or public agency.  
Such legal actions may be filed and the provisions of this subdivision apply equally in the appropriate courts of California and Nevada and of the United States.
- (2) Venue lies:
- (A) If a civil or criminal action challenges an activity by the agency or any person which is undertaken or to be undertaken upon a parcel of real property, in the state or federal judicial district where the real property is situated.
- (B) If an action challenges an activity which does not involve a specific parcel of land (such as an action challenging an ordinance of the agency), in any state or federal court having jurisdiction within the region.
- (3) Any aggrieved person may file an action in an appropriate court of the State of California or Nevada or of the United States alleging noncompliance with the provisions of this compact or with an ordinance or regulation of the agency. In the case of governmental agencies, "aggrieved person" means the Tahoe Regional Planning Agency or any state, federal or local agency. In the case of any person other than a governmental agency who challenges an action of the Tahoe Regional Planning Agency, "aggrieved person" means any person who has appeared, either in person, through an authorized representative, or in writing, before the agency at an appropriate administrative hearing to register objection to the action which is being challenged, or who had good cause for not making such an appearance.
- (4) A legal action arising out of the adoption or amendment of the regional plan or of any ordinance or regulation of the agency, or out of the granting or denial of any permit, shall be commenced within 60 days after final action by the agency. All other legal actions shall be commenced within 65 days after discovery of the cause of action.
- (5) In any legal action filed pursuant to this subdivision which challenges an adjudicatory act or decision of the agency to approve or disapprove a project, the scope of judicial inquiry shall extend only to whether there was prejudicial abuse of discretion. Prejudicial abuse of discretion is established if the agency has not proceeded in a manner required by law or if the act or decision of the agency was not supported by substantial evidence in light of the whole record. In making such a determination the court shall not exercise its independent judgment on evidence but shall only determine whether the act or decision was supported by substantial evidence in light of the whole record. In any legal action filed pursuant to this subdivision which challenges a legislative act or decision of the agency (such as the adoption of the regional plan and the enactment of implementing ordinances), the scope of the judicial inquiry shall extend only to the questions of whether the act or decision has been arbitrary, capricious or lacking substantial evidentiary support or whether the agency has failed to proceed in a manner required by law.
- (6) The provisions of this subdivision do not apply to any legal proceeding pending on the date when this subdivision becomes effective. Any such legal proceeding shall be conducted and concluded under the provisions of law which were applicable prior to the effective date of this subdivision.
- (7) The security required for the issuance of a temporary restraining order or preliminary injunction based upon an alleged violation of this compact or any ordinance, plan, rule or regulation adopted pursuant thereto is governed by the rule or statute applicable to the court in which the action is brought, unless the action is brought by a public agency or political subdivision to enforce its own rules, regulations and ordinances in which case no security shall be required.

- (k) The agency shall monitor activities in the region and may bring enforcement actions in the region to ensure compliance with the regional plan and adopted ordinances, rules, regulations and policies. If it is found that the regional plan, or ordinances, rules, regulations and policies are not being enforced by a local jurisdiction, the agency may bring action in a court of competent jurisdiction to ensure compliance.
- (l) Any person who violates any provision of this compact or of any ordinance or regulation of the agency or of any condition of approval imposed by the agency is subject to a civil penalty not to exceed \$5,000. Any such person is subject to an additional civil penalty not to exceed \$5,000 per day, for each day on which such a violation persists. In imposing the penalties authorized by this subdivision, the court shall consider the nature of the violation and shall impose a greater penalty if it was willful or resulted from gross negligence than if it resulted from inadvertence or simple negligence.
- (m) The agency is hereby empowered to initiate, negotiate and participate in contracts and agreements among the local governmental authorities of the region, or any other intergovernmental contracts or agreements authorized by state or federal law.
- (n) Each intergovernmental contract or agreement shall provide for its own funding and staffing, but this shall not preclude financial contributions from the local authorities concerned or from supplementary sources.
- (o) Every record of the agency, whether public or not, shall be open for examination to the Legislature and Controller of the State of California and the legislative auditor of the State of Nevada.
- (p) Approval by the agency of any project expires 3 years after the date of final action by the agency or the effective date of the amendments to this compact, whichever is later, unless construction is begun within that time and diligently pursued thereafter, or the use or activity has commenced. In computing the 3-year period any period of time during which the project is the subject of a legal action which delays or renders impossible the diligent pursuit of that project shall not be counted. Any license, permit or certificate issued by the agency which has an expiration date shall be extended by that period of time during which the project is the subject of such legal action as provided in this subdivision.
- (q) The governing body shall maintain a current list of real property known to be available for exchange with the United States or with other owners of real property in order to facilitate exchanges of real property by owners of real property in the region.

## **ARTICLE VII. Environmental Impact Statements**

- (a) The Tahoe Regional Planning Agency when acting upon matters that have a significant effect on the environment shall:
  - (1) Utilize a systematic, interdisciplinary approach which will insure the integrated use of the natural and social sciences and the environmental design arts in planning and in decisionmaking which may have an impact on man's environment;
  - (2) Prepare and consider a detailed environmental impact statement before deciding to approve or carry out any project. The detailed environmental impact statement shall include the following:
    - (A) The significant environmental impacts of the proposed project;
    - (B) Any significant adverse environmental effects which cannot be avoided should the project be implemented;
    - (C) Alternatives to the proposed project;
    - (D) Mitigation measures which must be implemented to assure meeting standards of the region;
    - (E) The relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity;
    - (F) Any significant irreversible and irretrievable commitments of resources which would be involved in the proposed project should it be implemented; and
    - (G) The growth-inducing impact of the proposed project;
  - (3) Study, develop and describe appropriate alternatives to recommended courses of action for any project which involves unresolved conflicts concerning alternative uses of available resources;
  - (4) Make available to states, counties, municipalities, institutions and individuals, advice and information useful in restoring, maintaining and enhancing the quality of the region's environment; and
  - (5) Initiate and utilize ecological information in the planning and development of resource-oriented projects.
- (b) Prior to completing an environmental impact statement, the agency shall consult with and obtain the comments of any federal, state or local agency which has jurisdiction by law or special expertise with

respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate federal, state and local agencies which are authorized to develop and enforce environmental standards shall be made available to the public and shall accompany the project through the review processes. The public shall be consulted during the environmental impact statement process and views shall be solicited during a public comment period not to be less than 60 days.

(c) Any environmental impact statement required pursuant to this article need not repeat in its entirety any information or data which is relevant to such a statement and is a matter of public record or is generally available to the public, such as information contained in an environmental impact report prepared pursuant to the California Environmental Quality Act or a federal environmental impact statement prepared pursuant to the National Environmental Policy Act of 1969. However, such information or data shall be briefly described in the environmental impact statement and its relationship to the environmental impact statement shall be indicated.

In addition, any person may submit information relative to a proposed project which may be included, in whole or in part, in any environmental impact statement required by this article.

(d) In addition to the written findings specified by agency ordinance to implement the regional plan, the agency shall make either of the following written findings before approving a project for which an environmental impact statement was prepared:

(1) Changes or alterations have been required in or incorporated into such project which avoid or reduce the significant adverse environmental effects to a less than significant level; or

(2) Specific considerations, such as economic, social or technical, make infeasible the mitigation measures or project alternatives discussed in the environmental impact statement on the project.

A separate written finding shall be made for each significant effect identified in the environmental impact statement on the project. All written findings must be supported by substantial evidence in the record.

(e) The agency may charge and collect a reasonable fee from any person proposing a project subject to the provisions of this compact in order to recover the estimated costs incurred by the agency in preparing an environmental impact statement under this article.

(f) The agency shall adopt by ordinance a list of classes of projects which the agency has determined will not have a significant effect on the environment and therefore will be exempt from the requirement for the preparation of an environmental impact statement under this article. Prior to adopting the list, the agency shall make a written finding supported by substantial evidence in the record that each class of projects will not have a significant effect on the environment.

## **ARTICLE VIII. Finances**

(a) On or before September 30 of each calendar year the agency shall establish the amount of money necessary to support its activities for the next succeeding fiscal year commencing July 1 of the following year. The agency shall apportion \$75,000 of this amount among the counties within the region on the same ratio to the total sum required as the full cash valuation of taxable property within the region in each county bears to the total full cash valuation of taxable property within the region. In addition, each county within the region in California shall pay \$18,750 to the agency and each county within the region in Nevada, including Carson City, shall pay \$12,500 to the agency, from any funds available therefor. The State of California and the State of Nevada may pay to the agency by July 1 of each year any additional sums necessary to support the operations of the agency pursuant to this compact. If additional funds are required, the agency shall make a request for the funds to the states of California and Nevada. Requests for state funds must be apportioned two-thirds from California and one-third from Nevada. Money appropriated shall be paid within 30 days.

(b) The agency may fix and collect reasonable fees for any services rendered by it.

(c) The agency shall submit an itemized budget to the states for review with any request for state funds, shall be strictly accountable to any county in the region and the states for all funds paid by them to the agency and shall be strictly accountable to all participating bodies for all receipts and disbursement.

(d) The agency is authorized to receive gifts, donations, subventions, grants, and other financial aids and funds; but the agency may not own land except as provided in subdivision (i) of Article III.

(e) The agency shall not obligate itself beyond the moneys due under this article for its support from the several counties and the states for the current fiscal year, plus any moneys on hand or irrevocably pledged to its support from other sources. No obligation contracted by the agency shall bind either of the party states or any political subdivision thereof.

## **ARTICLE IX. Transportation District**

- (a) The Tahoe transportation district is hereby established as a special purpose district. The boundaries of the district are coterminous with those of the region.
- (b) The business of the district shall be managed by a board of directors consisting of:
- (1) One member of the county board of supervisors of each of the counties of El Dorado and Placer;
  - (2) One member of the city council of the City of South Lake Tahoe;
  - (3) One member each of the board of county commissioners of Douglas County and of Washoe County;
  - (4) One member of the board of supervisors of Carson City;
  - (5) The director of the California Department of Transportation; and
  - (6) The director of the department of transportation of the State of Nevada.
- Any director may designate an alternate.
- (c) The vote of at least five of the directors must agree to take action. If at least five votes in favor of an action are not cast, an action of rejection shall be deemed to have been taken.
- (d) The Tahoe transportation district may in accordance with the adopted transportation plan:
- (1) Own and operate a public transportation system to the exclusion of all other publicly owned transportation systems in the region.
  - (2) Acquire upon mutually agreeable terms any public transportation system or facility owned by a county, city or special purpose district within the region.
  - (3) Hire the employees of existing public transportation systems that are acquired by the district without loss of benefits to the employees, bargain collectively with employee organizations, and extend pension and other collateral benefits to employees.
  - (4) Fix the rates and charges for transit services provided pursuant to this subdivision.
  - (5) Issue revenue bonds and other evidence of indebtedness.
  - (6) By resolution, determine and propose for adoption a tax for the purpose of obtaining services of the district. The tax proposed must be general and of uniform operation throughout the region, and may not be graduated in any way. The district is prohibited from imposing an ad valorem tax, a tax measured by gross or net receipts on business, a tax or charge that is assessed against people or vehicles as they enter or leave the region, and any tax, direct or indirect, on gaming tables and devices. Any such proposition must be submitted to the voters of the district and shall become effective upon approval of two-thirds of the voters voting on the proposition. The revenues from any such tax must be used for the service for which it was imposed, and for no other purpose.
  - (7) Provide service from inside the region to convenient airport, railroad and interstate bus terminals without regard to the boundaries of the region.
- (e) The legislatures of the states of California and Nevada may, by substantively identical enactments, amend this article.

## **ARTICLE X. Miscellaneous**

- (a) It is intended that the provisions of this compact shall be reasonably and liberally construed to effectuate the purposes thereof. Except as provided in subdivision (c), the provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the remaining state and in full force and effect as to the state affected as to all severable matters.
- (b) The agency shall have such additional powers and duties as may hereafter be delegated or imposed upon it from time to time by the action of the Legislature of either state concurred in by the Legislature of the other.
- (c) A state party to this compact may withdraw therefrom by enacting a statute repealing the compact. Notice of withdrawal shall be communicated officially and in writing to the Governor of the other state and to the agency administrators. This provision is not severable, and if it is held to be unconstitutional or invalid, no other provision of this compact shall be binding upon the State of Nevada or the State of California.
- (d) No provision of this compact shall have any effect upon the allocation, distribution or storage of

interstate waters or upon any appropriative water right.  
(Added to NRS by 1968, 4; A 1979, 1135; 1980, 1)

## CHAPTER 278 PLANNING AND ZONING

### SPECIAL EXCEPTIONS

278.315 Granting of variances, special use permits and other special exceptions by board of adjustment or planning commission: Hearing; notice; appeal.

1. The governing body may provide by ordinance for the granting of variances, special use permits or other special exceptions by the board of adjustment or the planning commission. The governing body may impose this duty entirely on the board of adjustment or the planning commission, respectively, or provide for the granting of enumerated categories of variances, special use permits or special exceptions by the board or commission.

2. A hearing to consider an application for the granting of a variance, special use permit or special exception must be held before the board or commission within 65 days after the filing of the application. A notice setting forth the time, place and purpose of the hearing must be sent by mail at least 10 days before the hearing to:

(a) The applicant;

(b) Each owner of real property located within 300 feet of the property in question;

(c) If a mobile home park is located within 300 feet of the property in question, each tenant of that mobile home park; and

(d) Any advisory board which has been established for the affected area by the governing body.

The notice must be written in language which is easy to understand. It must set forth the time, place and purpose of the hearing and a physical description or map of the property in question.

3. If the application is for the issuance of a special use permit in a county whose population is 100,000 or more, the governing body shall, to the extent this notice does not duplicate the notice required by subsection 2, cause a notice to be sent by mail at least 10 days before the hearing to each owner, as listed on the county assessor's records, of at least 30 parcels nearest to the property in question. The notice must be written in language which is easy to understand. It must set forth the time, place and purpose of the hearing and a physical description or map of the property in question.

4. An ordinance adopted pursuant to this section must provide an opportunity for the applicant or a protestant to appeal from a decision of the board or commission to the governing body.

5. In a county whose population is 400,000 or more, if the application is for the issuance of a special use permit for an establishment which serves alcoholic beverages for consumption on or off of the premises as its primary business in a district which is not a gaming enterprise district as defined in NRS 463.0158, the governing body shall, in addition to mailing the notice required pursuant to subsection 3, not later than 10 days before the hearing, erect or cause to be erected on the property, at least one sign not less than 2 feet high and 2 feet wide. The sign must be made of material reasonably calculated to withstand the elements for 10 days. The governing body must be consistent in its use of colors for the background and lettering of the sign. The sign must include the following information:

(a) The existing permitted use and zoning designation of the property in question;

(b) The proposed permitted use of the property in question;

(c) The date, time and place of the public hearing; and

(d) A telephone number which may be used by interested persons to obtain additional information.

6. A sign required pursuant to subsection 5 is for informational purposes only, and must be erected regardless of any local ordinance regarding the size, placement or composition of signs to the contrary.

7. A governing body may charge an additional fee for each application for a special use permit to cover the actual costs resulting from the erection of not more than one sign required by subsection 5, if any. The additional fee is not subject to the limitation imposed by NRS 354.5989.

8. The governing body shall remove or cause to be removed any sign required by subsection 5 within 5 days after the hearing for which the sign was erected. There must be no additional charge to the applicant

for such removal.

(Added to NRS by 1969, 734; A 1983, 1247; 1987, 933; 1991, 371; 1993, 2205)

## 1973 NEVADA TAHOE REGIONAL PLANNING AGENCY

### GENERAL PROVISIONS

278.791 "Restricted gaming license" defined.

"Restricted gaming license" means a license to operate not more than 15 slot machines for which a quarterly fee is charged pursuant to NRS 463.373.

(Added to NRS by 1979, 433)

### AGENCY'S POWERS

278.8125 Permitted and conforming uses.

1. Subject to the final order of any court of competent jurisdiction entered in litigation contesting the validity of an approval by the Tahoe Regional Planning Agency, whether that approval was affirmative or by default, if that litigation was pending on January 1, 1979, the agency shall recognize as a permitted and conforming use:

(a) Every structure housing gaming under a nonrestricted license which existed as a licensed gaming establishment on January 1, 1979, or whose construction was approved by the Tahoe Regional Planning Agency affirmatively or by default before that date. The agency shall not permit the construction of any structure to house gaming under a nonrestricted license not so existing or approved, or the enlargement in cubic volume of any such existing or approved structure.

(b) Every other nonrestricted gaming establishment whose use was seasonal and whose license was issued before January 1, 1979, for the same season and for the number and type of games and slot machines on which taxes or fees were paid in the calendar year 1978.

(c) Gaming conducted pursuant to a restricted gaming license issued before January 1, 1979, to the extent permitted by that license on that date.

The area within any structure housing gaming under a nonrestricted license which may be open to public use (as distinct from that devoted to the private use of guests and exclusive of any parking area) is limited to the area existing or approved for public use on May 4, 1979. Within these limits, any external modification of the structure which requires a permit from a local government also requires approval from the agency. The agency shall not permit restaurants, convention facilities, showrooms or other public areas to be constructed elsewhere in the region outside the structure in order to replace areas existing or approved for public use on May 4, 1979.

2. Any structure housing licensed gaming may be rebuilt or replaced to a size not to exceed the cubic volume and land coverage existing or approved on May 4, 1979.

(Added to NRS by 1979, 433)

278.8127 Exemption from and intendment of NRS 278.8125.

1. Gaming conducted pursuant to a restricted gaming license is exempt from the provisions of NRS 278.8125 if it is incidental to the primary use of the premises.

2. The provisions of NRS 278.8125 are intended only to limit gaming and related activities as conducted within a gaming establishment, or construction designed to permit the enlargement of such activities, and not to limit any other use of property zoned for commercial use or the accommodation of tourists.

(Added to NRS by 1979, 434)

## **TITLE 23 PUBLIC OFFICERS AND EMPLOYEES**

### **CHAPTER 281 GENERAL PROVISIONS**

#### **MISCELLANEOUS PROVISIONS AND PROHIBITIONS**

281.236 Employment of certain former public officers and employees by regulated businesses prohibited; determination by commission on ethics.

1. A public utility or parent organization or subsidiary of a public utility shall not employ a former member of the public service commission of Nevada for 1 year after the termination of his service on the commission.

2. A person who holds a license issued pursuant to chapter 463 or 464 of NRS or who is required to register with the Nevada gaming commission pursuant to chapter 463 of NRS shall not employ a former member of the state gaming control board or the Nevada gaming commission for 1 year after the termination of the member's service on the board or commission.

3. In addition to the prohibitions set forth in subsections 1 and 2, a business or industry whose activities are governed by regulations adopted by a department, division or other agency of the executive branch of government shall not, except as otherwise provided in subsection 4, employ a former public officer or employee of the agency, except a clerical employee, for 1 year after the termination of his service or period of employment if:

(a) His principal duties included the formulation of policy contained in the regulations governing the business or industry;

(b) During the immediately preceding year he directly performed activities, or controlled or influenced an audit, decision, investigation or other action, which significantly affected the business or industry which might, but for this section, employ him; or

(c) As a result of his governmental service or employment, he possesses knowledge of the trade secrets of a direct business competitor.

4. A public officer or employee may request the commission on ethics to apply the relevant facts in his case to the provisions of subsection 3 and determine whether relief from the strict application of the provisions is proper. If the commission on ethics determines that relief from the strict application of the provisions of subsection 3 is not contrary to:

(a) The best interests of the public;

(b) The continued integrity of state government; and

(c) The code of ethical standards prescribed in NRS 281.481,

it may issue an order to that effect and grant such relief. The decision of the commission on ethics in such a case is subject to judicial review.

5. As used in this section, "regulation" has the meaning ascribed to it in NRS 233B.038.

(Added to NRS by 1987, 570; A 1993, 2496)

## **TITLE 23 PUBLIC OFFICERS AND EMPLOYEES**

### **CHAPTER 282 OFFICIAL BONDS AND OATHS**

#### **MISCELLANEOUS PROVISIONS**

282.350 Revocation of bond by state board of examiners: Grounds.

The state board of examiners may revoke the surety bond of any public officer or employee:

1. If, after due investigation, notice and hearing, he is found to be addicted to gambling, excessive drinking of intoxicants or to the use of narcotics.

2. Upon his conviction of a gross misdemeanor or any more serious crime.

3. When he is legally determined to be insane.

4. For any other cause deemed reasonable by the board.  
[11:193:1937; 1931 NCL § 4915.31]--(NRS A 1957, 634; 1973, 558; 1975, 344)

## CHAPTER 284 STATE PERSONNEL SYSTEM

### INDEPENDENT CONTRACTORS

284.173 Definition; contracts for services. [Effective until July 1, 1999.]

1. Elective officers and heads of departments, boards, commissions or institutions may contract for the services of persons as independent contractors.
2. An independent contractor is a natural person, firm or corporation who agrees to perform services for a fixed price according to his or its own methods and without subjection to the supervision or control of the other contracting party, except as to the results of the work, and not as to the means by which the services are accomplished.
3. For the purposes of this section:
  - (a) Travel, subsistence and other personal expenses may be paid to an independent contractor, if provided for in the contract, in such amounts as provided for in the contract. Those expenses must not be paid under the provisions of NRS 281.160.
  - (b) There must be no:
    - (1) Withholding of income taxes by the state;
    - (2) Industrial insurance coverage provided by the state;
    - (3) Participation in group insurance plans which may be available to employees of the state;
    - (4) Participation or contributions by either the independent contractor or the state to the public employees' retirement system;
    - (5) Accumulation of vacation leave or sick leave; or
    - (6) Unemployment compensation coverage provided by the state if the requirements of NRS 612.085 for independent contractors are met.
4. An independent contractor is not in the classified or unclassified service of the state, and has none of the rights or privileges available to officers or employees of the State of Nevada.
5. Except as otherwise provided in this subsection, each contract for the services of an independent contractor must be in writing. The form of the contract must be first approved by the attorney general, and, except as otherwise provided in subsection 7, an executed copy of each contract must be filed with the fiscal analysis division of the legislative counsel bureau and the clerk of the state board of examiners. The state board of examiners may waive the requirements of this subsection in the case of contracts which are for amounts less than \$750.
6. Except as otherwise provided in subsection 7, and except contracts entered into by the University and Community College System of Nevada, each proposed contract with an independent contractor must be submitted to the state board of examiners. The contracts do not become effective without the prior approval of the state board of examiners, but the state board of examiners may authorize its clerk to approve contracts which are for amounts less than \$2,000 or, in contracts necessary to preserve life and property, for amounts less than \$5,000. The state board of examiners shall adopt regulations to carry out the provisions of this section.
7. Copies of the following types of contracts need not be filed or approved as provided in subsections 5 and 6:
  - (a) Contracts executed by the department of transportation for any work of construction or reconstruction of highways.
  - (b) Contracts executed by the state public works board or any other state department or agency for any work of construction or major repairs of state buildings if the contracting process was controlled by the rules of open competitive bidding.
  - (c) Contracts executed by the housing division of the department of business and industry.
  - (d) Contracts executed with business entities for any work of maintenance or repair of office machines and equipment.
8. The state board of examiners shall review each contract submitted for approval pursuant to subsection 6

to consider:

- (a) Whether sufficient authority exists to expend the money required by the contract; and
- (b) Whether the service which is the subject of the contract could be provided by a state agency in a more cost-effective manner.

If the contract submitted for approval continues an existing contractual relationship, the board shall ask each agency to ensure that the state is receiving the services that the contract purports to provide.

9. If the services of an independent contractor are contracted for to represent an agency of the state in any proceeding in any court, the contract must require the independent contractor to identify in all pleadings the specific state agency which he is representing.

(Added to NRS by 1960, 486; A 1961, 686; 1973, 434, 911; 1975, 534; 1977, 346; 1979, 1184, 1791; 1981, 1175; 1983, 765; 1987, 322, 1486; 1993, 375, 854, 1550, 2013; 1995, 666)

## CHAPTER 289 PEACE OFFICERS

### PERSONS POSSESSING POWERS OF PEACE OFFICERS

289.360 Members and agents of state gaming control board; members of Nevada gaming commission.

1. For the purpose of the administration and enforcement of the provisions of chapter 205 of NRS involving a crime against the property of a gaming licensee, or chapter 462, 463, 463B, 464 or 465 of NRS, the members of the state gaming control board and the Nevada gaming commission and those agents of the board whose duties include the enforcement, or the investigation of suspected violations, of statutes or regulations, have the powers of a peace officer.

2. An agent of the state gaming control board whose duties include the enforcement, or the investigation of suspected violations, of statutes or regulations, and who has been certified by the peace officers' standards and training committee, also has the powers of a peace officer when, during the performance of those duties:

- (a) A felony, gross misdemeanor or misdemeanor is committed or attempted in his presence; or
- (b) He is given reasonable cause to believe that a person has committed a felony or gross misdemeanor outside of his presence.

3. For the purpose of protecting members of the state gaming control board and of the Nevada gaming commission and their families and property, and providing security at meetings of the board and of the commission, an agent of the board whose duties include the enforcement of statutes or regulations has the powers of a peace officer.

(Added to NRS by 1993, 2524)--(Substituted in revision for NRS 281.0353)

## TITLE 27 PUBLIC PROPERTY AND PURCHASING

### CHAPTER 334 PURCHASING: GENERALLY

334.010 State automobiles: Purchase; use; identification; penalty.

1. No automobile may be purchased by any department, office, bureau, officer or employee of the state without prior written consent of the state board of examiners.

2. All such automobiles must be used for official purposes only.

3. All such automobiles, except:

- (a) Automobiles maintained for and used by the governor;
- (b) Automobiles used by or under the authority and direction of the chief parole and probation officer, the state contractors' board and auditors, the state fire marshal, the investigation division of the department of motor vehicles and public safety, the investigators of the state gaming control board, the investigators of the securities division of the office of the secretary of state and the investigators of the attorney general;
- (c) One automobile used by the department of prisons;
- (d) Two automobiles used by the Caliente youth center;

(e) Three automobiles used by the Nevada youth training center; and  
(f) Four automobiles used by the youth parole bureau of the division of child and family services of the department of human resources,  
must be labeled by painting the words "State of Nevada" and "For Official Use Only" on the automobiles in plain lettering. The director of the department of administration or his representative shall prescribe the size and location of the label for all such automobiles.

4. Any officer or employee of the State of Nevada who violates any provision of this section is guilty of a misdemeanor.

[Part 1:7:1933; A 1947, 422; 1949, 360; 1953, 45; 1955, 543] + [2:7:1933; 1931 NCL § 6941.02]--(NRS A 1957, 62, 743; 1959, 782; 1961, 383, 627; 1963, 693; 1965, 314; 1967, 165; 1969, 129; 1971, 167; 1973, 84, 289; 1975, 61, 566; 1977, 289; 1979, 74, 881; 1981, 1189, 2013; 1985, 1984; 1989, 1959; 1991, 2127; 1993, 31, 1566; 1995, 579)

## **TITLE 31 PUBLIC FINANCIAL ADMINISTRATION**

### **CHAPTER 353 STATE FINANCIAL ADMINISTRATION**

#### **STATE BUDGET ACT**

353.213 Limitation upon total proposed expenditures. [Effective July 1, 1997.]

1. In preparing the state budget for each biennium, the chief shall not exceed the limit upon total proposed expenditures for purposes other than construction from the state general fund calculated pursuant to this section. The base for each biennium is the total expenditure, for the purposes limited, from the state general fund appropriated and authorized by the legislature for the biennium beginning on July 1, 1975.

2. The limit for each biennium is calculated as follows:

(a) The amount of expenditure constituting the base is multiplied by the percentage of change in population for the current biennium from the population on July 1, 1974, and this product is added to or subtracted from the amount of expenditure constituting the base.

(b) The amount calculated pursuant to paragraph (a) is multiplied by the percentage of inflation or deflation, and this product is added to or subtracted from the amount calculated pursuant to paragraph (a).

(c) Subject to the limitations of this paragraph:

(1) If the amount resulting from the calculations pursuant to paragraphs (a) and (b) represents a net increase over the base biennium, the chief may increase the proposed expenditure accordingly.

(2) If the amount represents a net decrease, the chief shall decrease the proposed expenditure accordingly.

(3) If the amount is the same as in the base biennium, that amount is the limit of permissible proposed expenditure.

The proposed budget for each fiscal year of the biennium must provide for a reserve of not less than 5 percent nor more than 10 percent of the total of all proposed appropriations from the state general fund for the operation of all departments, institutions and agencies of the state government and authorized expenditures from the state general fund for the regulation of gaming for that fiscal year.

3. The revised estimate of population for the state issued by the United States Department of Commerce as of July 1, 1974, must be used, and the governor shall certify the percentage of increase or decrease in population for each succeeding biennium. The Consumer Price Index published by the United States Department of Labor for July preceding each biennium must be used in determining the percentage of inflation or deflation.

4. The chief may exceed the limit to the extent necessary to meet situations in which there is a threat to life or property. (Added to NRS by 1979, 12 37; A 1991, 2471; 1995, 1565, 2814, effective July 1, 1997)

#### **FUND TO STABILIZE OPERATION OF STATE GOVERNMENT**

353.288 Creation; deposit of excess state revenue required; use of money in fund.

1. The fund to stabilize the operation of the state government is hereby created as a trust fund. Except as otherwise provided in subsection 2, the state controller shall deposit to the credit of the fund two-fifths of any revenue in the state general fund collected by the state for general, unrestricted uses, and not for special purposes, in excess of the amount necessary to:

(a) Pay all appropriations made for the support of the state government for the fiscal year in which that revenue will be deposited in the fund; and

(b) Attain the reserve required by NRS 353.213.

2. The balance in the fund must not exceed 10 percent of the total of all appropriations from the state general fund for the operation of all departments, institutions and agencies of the state government and authorized expenditures from the state general fund for the regulation of gaming for the fiscal year in which that revenue will be deposited in the fund.

3. Money from the fund to stabilize the operation of the state government may be appropriated only:

(a) If the total actual revenue of the state falls short by 5 percent or more of the total anticipated revenue for the biennium in which the appropriation is made; or

(b) If the legislature and the governor declare that a fiscal emergency exists.

(Added to NRS by 1991, 2471; A 1995, 1566)

## **TITLE 32 REVENUE AND TAXATION**

### **CHAPTER 364A BUSINESS TAX**

#### **ADMINISTRATION**

364A.100 Confidentiality of records and files of department.

1. Except as otherwise provided in NRS 360.250 and subsections 2 and 3, the records and files of the department concerning the administration of this chapter are confidential and privileged. The department, and any employee engaged in the administration of this chapter, or charged with the custody of any such records or files, shall not disclose any information obtained from the department's records or files or from any examination, investigation or hearing authorized by the provisions of this chapter. Neither the department nor any employee of the department may be required to produce any of the records, files and information for the inspection of any person or for use in any action or proceeding.

2. The records and files of the department concerning the administration of this chapter are not confidential and privileged in the following cases:

(a) Testimony by a member or employee of the department and production of records, files and information on behalf of the department or a taxpayer in any action or proceeding pursuant to the provisions of this chapter if that testimony or the records, files or information, or the facts shown thereby are directly involved in the action or proceeding.

(b) Delivery to a taxpayer or his authorized representative of a copy of any return or other document filed by the taxpayer pursuant to this chapter.

(c) Publication of statistics so classified as to prevent the identification of a particular business or document.

(d) Exchanges of information with the Internal Revenue Service in accordance with compacts made and provided for in such cases.

(e) Disclosure in confidence to the governor or his agent in the exercise of the governor's general supervisory powers, or to any person authorized to audit the accounts of the department in pursuance of an audit, or to the attorney general or other legal representative of the state in connection with an action or proceeding pursuant to this chapter or to any agency of this or any other state charged with the administration or enforcement of laws relating to workers' compensation, unemployment compensation, public assistance, taxation, labor or gaming.

3. The executive director shall periodically, as he deems appropriate, but not less often than annually, transmit to the administrator of the division of industrial relations of the department of business and industry a list of the businesses of which he has a record. The list must include the mailing address of the business and the approximate number of employees of the business as reported to the department.

(Added to NRS by 1991, 2455; A 1993, 777; 1995, 645, 1578)

## CHAPTER 374 LOCAL SCHOOL SUPPORT TAX

### ABATEMENTS

374.357 Abatement for eligible machinery or equipment used by certain businesses: Application; approval; provision of records; duration; certificate of eligibility; repayment for failure to comply with requirements; regulations.

1. A person who maintains a business or intends to locate a business in this state may apply to the commission on economic development for an abatement from the taxes imposed by this chapter on the gross receipts from the sale, and the storage, use or other consumption, of eligible machinery or equipment for use by a business which has been approved for an abatement pursuant to subsection 2.
2. The commission on economic development may approve an application for an abatement if:
  - (a) The goals of the business are consistent with the goals of the commission concerning industrial development and diversification;
  - (b) The commission determines that the abatement is a significant factor in the decision of the applicant to locate or expand a business in this state;
  - (c) The average hourly wage paid by the business to its employees in this state is at least equal to the average statewide industrial hourly wage as established by the employment security division of the department of employment, training and rehabilitation on July 1 of each fiscal year;
  - (d) The business provides a health insurance plan for its employees that includes an option for health insurance coverage for dependents of employees;
  - (e) The business is registered pursuant to the laws of this state or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates;
  - (f) The business will provide at least 10 full-time, permanent jobs in Nevada by the fourth quarter that it is in operation; and
  - (g) The applicant commits to maintaining his business in this state for at least 5 years.
3. An applicant shall, upon the request of the executive director of the commission on economic development, furnish to the director copies of all records necessary for the director to verify that the applicant meets the requirement of paragraph (c) of subsection 2.
4. The commission on economic development may approve an application for an abatement which does not meet the requirements of subsection 2 if the commission determines that such an approval is warranted.
5. If an application for an abatement is approved, the taxpayer is eligible for an abatement from the tax imposed by this chapter for 2 years.
6. If an application for an abatement is approved, the commission on economic development shall immediately forward a certificate of eligibility for the abatement to the Nevada tax commission.
7. If a business for which an abatement has been approved is not maintained in this state for at least 5 years after the commission on economic development approved the abatement, the person who applied for the abatement shall repay to the department the amount of the abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada tax commission determines that the business has substantially complied with the requirements of this section. The person who applied for the abatement shall pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the abatement not been granted until the date of the actual payment of the tax.
8. The commission on economic development shall adopt regulations which it considers necessary to carry out the provisions of this section.
9. As used in this section, unless the context otherwise requires, "eligible machinery or equipment" means machinery or equipment for which a deduction is authorized pursuant to 26 U.S.C. § 179. The term does not include:
  - (a) Buildings or the structural components of buildings;
  - (b) Equipment used by a public utility;
  - (c) Equipment used for medical treatment;

- (d) Machinery or equipment used in mining; or
  - (e) Machinery or equipment used in gaming.
- (Added to NRS by 1995, 744)

## **TITLE 35 HIGHWAYS; ROADS; BRIDGES; PARKS**

### **CHAPTER 410 BEAUTIFICATION OF HIGHWAYS**

#### **OUTDOOR ADVERTISING**

410.270"Outdoor advertising," "outdoor advertising sign, display or device" and "sign, display or device" defined.

"Outdoor advertising," "outdoor advertising sign, display or device" and "sign, display or device" mean any outdoor sign, display, device, light, figure, painting, drawing, message, plaque, poster, billboard or other thing which is designed, intended or used to advertise or inform, any part of the advertising or information contents of which is visible from any place on the main-traveled way of the interstate or primary highway systems.

(Added to NRS by 1971, 1326)

## **TITLE 41 GAMING; HORSE RACING; SPORTING EVENTS**

### **CHAPTER 462 LOTTERIES**

#### **GENERAL PROVISIONS**

462.045"Board" defined.

"Board" means the state gaming control board.

(Added to NRS by 1991, 2257)

462.085"Commission" defined.

"Commission" means the Nevada gaming commission.

(Added to NRS by 1991, 2258)

462.095"Executive director" defined.

"Executive director" means the chairman and executive director of the state gaming control board.

(Added to NRS by 1991, 2258)

462.105"Lottery" defined.

1. Except as otherwise provided in subsection 2, "lottery" means any scheme for the disposal or distribution of property, by chance, among persons who have paid or promised to pay any valuable consideration for the chance of obtaining that property, or a portion of it, or for any share or interest in that property upon any agreement, understanding or expectation that it is to be distributed or disposed of by lot or chance, whether called a lottery, raffle or gift enterprise, or by whatever name it may be known.

2. "Lottery" does not include a promotional scheme conducted by a licensed gaming establishment in direct association with a licensed gaming activity, contest or tournament.

3. For the purpose of this section, a person has not "paid or promised to pay any valuable consideration" by virtue of his having:

- (a) Engaged in or promised to engage in a transaction in which he receives fair value for his payment;
- (b) Accepted or promised to accept any products or services on a trial basis; or
- (c) Been or promised to have been present at a particular time and place,

as the sole basis for his having received a chance to obtain property pursuant to an occasional and ancillary promotion conducted by an organization whose primary purpose is not the operation of such a promotion. [1911 C&P § 229; RL § 6494; NCL § 10176]--(NRS A 1991, 925, 2261)--(Substituted in revision for NRS 462.010)

## CHAPTER 463 LICENSING AND CONTROL OF GAMING

### GENERAL PROVISIONS

463.010 Short title.

This chapter may be known and cited as the Nevada Gaming Control Act. [1:429:1955]--(NRS A 1959, 427)

463.0129 Public policy of state concerning gaming; license or approval revocable privilege.

1. The legislature hereby finds, and declares to be the public policy of this state, that:

(a) The gaming industry is vitally important to the economy of the state and the general welfare of the inhabitants.

(b) The continued growth and success of gaming is dependent upon public confidence and trust that licensed gaming is conducted honestly and competitively, that the rights of the creditors of licensees are protected and that gaming is free from criminal and corruptive elements.

(c) Public confidence and trust can only be maintained by strict regulation of all persons, locations, practices, associations and activities related to the operation of licensed gaming establishments and the manufacture or distribution of gambling devices and equipment.

(d) All establishments where gaming is conducted and where gambling devices are operated, and manufacturers, sellers and distributors of certain gambling devices and equipment must therefore be licensed, controlled and assisted to protect the public health, safety, morals, good order and general welfare of the inhabitants of the state, to foster the stability and success of gaming and to preserve the competitive economy and policies of free competition of the State of Nevada.

(e) To ensure that gaming is conducted honestly, competitively and free of criminal and corruptive elements, all gaming establishments in this state must remain open to the general public and the access of the general public to gaming activities must not be restricted in any manner except as provided by the legislature.

2. No applicant for a license or other affirmative commission approval has any right to a license or the granting of the approval sought. Any license issued or other commission approval granted pursuant to the provisions of this chapter or chapter 464 of NRS is a revocable privilege, and no holder acquires any vested right therein or thereunder.

3. This section does not:

(a) Abrogate or abridge any common law right of a gaming establishment to exclude any person from gaming activities or eject any person from the premises of the establishment for any reason; or

(b) Prohibit a licensee from establishing minimum wagers for any gambling game or slot machine.

[13:429:1955]--(NRS A 1959, 434; 1967, 1597; 1969, 633; 1977, 1428; 1979, 333; 1983, 1205; 1987, 1273; 1991, 968, 2144)

463.013 Definitions.

As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 463.0133 to 463.0197, inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by 1967, 1038; A 1971, 765; 1975, 673; 1977, 1422; 1981, 677, 1073; 1983, 563, 1333; 1985, 2134; 1987, 1780; 1989, 1392; 1991, 798, 925, 1405, 1837, 2263, 2269; 1993, 829; 1995, 756, 1496)

463.0133 "Affiliate" defined.

"Affiliate" means a person who, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, a specified person.  
(Added to NRS by 1991, 1837)

463.0134"Applicant" defined.

"Applicant" means any person who has applied for or is about to apply for a state gaming license, manufacturer's license, distributor's license, registration or finding of suitability under the provisions of this chapter, a finding of suitability regarding the operation of a charitable lottery under the provisions of chapter 462 of NRS, a pari-mutuel wagering license under the provisions of chapter 464 of NRS, or approval of any act or transaction for which commission approval is required or permitted under the provisions of this chapter or chapter 464 of NRS.  
(Added to NRS by 1967, 1038; A 1967, 1599; 1975, 673; 1991, 2263)

463.0135"Application" defined.

"Application" means a request for the issuance of a state gaming license, manufacturer's, seller's or distributor's license, registration or finding of suitability under the provisions of this chapter, for a finding of suitability regarding the operation of a charitable lottery under the provisions of chapter 462 of NRS, for a pari-mutuel wagering license under the provisions of chapter 464 of NRS, or for approval of any act or transaction for which commission approval is required or permitted under the provisions of this chapter or chapter 464 of NRS.  
(Added to NRS by 1967, 1038; A 1967, 1599, 1975, 674; 1991, 2263)

463.0136"Associated equipment" defined.

"Associated equipment" means any equipment or mechanical, electromechanical or electronic contrivance, component or machine used remotely or directly in connection with gaming, any game, race book or sports pool that would not otherwise be classified as a gaming device, including dice, playing cards, links which connect to progressive slot machines, equipment which affects the proper reporting of gross revenue, computerized systems of betting at a race book or sports pool, computerized systems for monitoring slot machines and devices for weighing or counting money.  
(Added to NRS by 1985, 2133)

463.0137"Board" defined.

"Board" means the state gaming control board as established by this chapter.  
(Added to NRS by 1967, 1038)--(Substituted in revision for NRS 463.0104)

463.0139"Capital lease" defined.

"Capital lease" means a bailment, lease or similar transaction in which:

1. The lease is in writing;
2. The writing includes the names and addresses of the lessor and lessee, the term, amount of rental payments, a specific list of the leased equipment and details of any rights which the lessee has to extend the term or to acquire the leased equipment during the term or at the expiration of the term including any renewals of the original term;
3. The lease serves as the functional equivalent of an extension of credit by the lessor to the lessee;
4. The leased equipment was acquired by the lessor specifically for a leasing transaction; and
5. The lessor is a national banking association which has its principal place of business in this state, a banking corporation formed under the laws of this state or a wholly owned subsidiary of such banking association or corporation which is formed under the laws of this state and has its principal place of business in this state.

(Added to NRS by 1977, 1422)--(Substituted in revision for NRS 463.01045)

463.014"Cashless wagering system" defined.

"Cashless wagering system" means a method of wagering and accounting in which the validity and value of a wagering instrument or wagering credits are determined, monitored and retained by a computer operated

and maintained by a licensee which maintains a record of each transaction involving the wagering instrument or wagering credits, exclusive of the game or gaming device on which wagers are being made. The term includes computerized systems which facilitate electronic transfers of money directly to or from a game or gaming device.

(Added to NRS by 1993, 829; A 1995, 1496)

463.0141 "Chairman" defined.

"Chairman" means the chairman and executive director of the state gaming control board or the chairman of the Nevada gaming commission.

(Added to NRS by 1967, 1039; A 1971, 765)--(Substituted in revision for NRS 463.0105)

463.0142 "Charitable lottery" defined.

"Charitable lottery" has the meaning ascribed to it in NRS 462.064.

(Added to NRS by 1991, 2263)

463.0143 "City" defined.

"City" includes an unincorporated town.

(Added to NRS by 1967, 1039; A 1983, 140)

463.0145 "Commission" defined.

"Commission" means the Nevada gaming commission.

(Added to NRS by 1967, 1039)--(Substituted in revision for NRS 463.0107)

463.0146 "Commissioner" defined.

"Commissioner" means a member of the Nevada gaming commission.

(Added to NRS by 1967, 1039)--(Substituted in revision for NRS 463.0108)

463.01463 "Contest" defined.

"Contest" means a competition among patrons for a prize, whether or not:

1. The prize is a specified amount of money; or
2. Consideration is required to be paid by the patrons to participate in the competition.

(Added to NRS by 1991, 925)

463.01465 "Credit card" defined.

"Credit card" means a card, code or other device with which a person may defer payment of debt, incur debt and defer its payment, or purchase property or services and defer payment therefor, but does not include a card, code or other device used to activate a preexisting agreement between a person and a financial institution to extend credit when the person's account at the financial institution is overdrawn or to maintain a specified minimum balance in the person's account at the financial institution.

(Added to NRS by 1995, 1495)

463.01467 "Credit instrument" defined.

"Credit instrument" means a writing which evidences a gaming debt owed to a person who holds a nonrestricted license at the time the debt is created, and includes any writing taken in consolidation, redemption or payment of a previous credit instrument.

(Added to NRS by 1991, 798)

463.01469 "Debit instrument" defined.

"Debit instrument" means a card, code or other device with which a person may initiate an electronic transfer of money to a game or gaming device.

(Added to NRS by 1995, 1495)

463.0147"Disseminator" defined.

"Disseminator" means any person who furnishes an operator of a race book, sports pool or gambling game who is licensed in this state with information relating to horse racing or other racing which is used to determine winners of or payoffs on wagers accepted by the operator. The term does not include a person who provides a televised broadcast without charge to any person who receives the broadcast.  
(Added to NRS by 1987, 1779)

463.01473"Electronic transfer of money" defined.

"Electronic transfer of money" means any transfer of money, other than a transaction initiated by a check, draft or other similar instrument, that is initiated through an electronic terminal, telephone, computer or magnetic tape for the purpose of ordering, instructing or authorizing a financial institution or person holding an account on behalf of another to debit or credit an account.  
(Added to NRS by 1995, 1495)

463.0148"Establishment" defined.

"Establishment" means any premises wherein or whereon any gaming is done.  
(Added to NRS by 1967, 1039)--(Substituted in revision for NRS 463.0109)

463.015"Executive director" defined.

"Executive director" means the chairman and executive director of the state gaming control board.  
(Added to NRS by 1971, 764)--(Substituted in revision for NRS 463.01092)

463.0152"Game" and "gambling game" defined.

"Game" or "gambling game" means any game played with cards, dice, equipment or any mechanical, electromechanical or electronic device or machine for money, property, checks, credit or any representative of value, including, without limiting the generality of the foregoing, faro, monte, roulette, keno, bingo, fan-tan, twenty-one, blackjack, seven-and-a-half, big injun, klondike, craps, poker, chuck-a-luck, Chinese chuck-a-luck (dai shu), wheel of fortune, chemin de fer, baccarat, pai gow, beat the banker, panguingui, slot machine, any banking or percentage game or any other game or device approved by the commission, but does not include games played with cards in private homes or residences in which no person makes money for operating the game, except as a player, or games operated by charitable or educational organizations which are approved by the board pursuant to the provisions of NRS 463.409.  
(Added to NRS by 1967, 1039; A 1969, 462; 1979, 772; 1981, 1073; 1985, 2134)

463.0153"Gaming" and "gambling" defined.

"Gaming" or "gambling" means to deal, operate, carry on, conduct, maintain or expose for play any game as defined in NRS 463.0152, or to operate an inter-casino linked system.  
(Added to NRS by 1967, 1039; A 1995, 756)

463.0155"Gaming device" defined.

"Gaming device" means any equipment or mechanical, electromechanical or electronic contrivance, component or machine used remotely or directly in connection with gaming or any game which affects the result of a wager by determining win or loss. The term includes:

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

- (f) 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 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. Any combination of one of the components set forth in paragraphs (a) to (f), 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.
- (Added to NRS by 1967, 1039; A 1981, 1074; 1985, 2135; 1993, 307)

463.0157 "Gaming employee" defined.

1. "Gaming employee" means any person connected directly with an operator of a slot route, the operator of a pari-mutuel system, the operator of an inter-casino linked system or a manufacturer, distributor or disseminator, or with the operation of a gaming establishment licensed to conduct any game, 16 or more slot machines, a race book, sports pool or pari-mutuel wagering, including:
    - (a) Accounting or internal auditing personnel who are directly involved in any recordkeeping or the examination of records associated with revenue from gaming;
    - (b) Boxmen;
    - (c) Cashiers;
    - (d) Change personnel;
    - (e) Counting room personnel;
    - (f) Dealers;
    - (g) Employees of a person required by NRS 464.010 to be licensed to operate an off-track pari-mutuel system;
    - (h) Employees of a person required by NRS 463.430 to be licensed to disseminate information concerning racing;
    - (i) Employees of manufacturers or distributors of gaming equipment within this state whose duties are directly involved with the manufacture, repair or distribution of gaming equipment;
    - (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;
    - (l) Floormen;
    - (m) Hosts or other persons empowered to extend credit or complimentary services;
    - (n) Keno runners;
    - (o) Keno writers;
    - (p) Machine mechanics;
    - (q) Odds makers and line setters;
    - (r) Security personnel;
    - (s) Shift or pit bosses;
    - (t) Shills;
    - (u) Supervisors or managers; and
    - (v) Ticket writers.
  2. "Gaming employee" does not include bartenders, cocktail waitresses or other persons engaged exclusively in preparing or serving food or beverages.
- (Added to NRS by 1981, 1067; A 1985, 2135; 1987, 413; 1989, 666; 1991, 1837; 1993, 308; 1995, 756)

463.0158 "Gaming enterprise district" defined.

"Gaming enterprise district" means an area that has been approved by a county, city or town as suitable for operating an establishment that has been issued a nonrestricted license.

(Added to NRS by 1989, 1391)

463.0159 "Gaming license" defined.

"Gaming license" means any license issued by the state or any political subdivision thereof pursuant to this chapter or chapter 464 of NRS which authorizes the person named therein to engage in gaming or pari-mutuel wagering.

(Added to NRS by 1967, 1599)--(Substituted in revision for NRS 463.0113)

463.0161 "Gross revenue" defined.

1. "Gross revenue" means the total of all:

- (a) Cash received as winnings;
- (b) Cash received in payment for credit extended by a licensee to a patron for purposes of gaming; and
- (c) Compensation received for conducting any game in which the licensee is not party to a wager, less the total of all cash paid out as losses to patrons, those amounts paid to fund periodic payments and any other items made deductible as losses by NRS 463.3715. For the purposes of this section, cash or the value of noncash prizes awarded to patrons in a contest or tournament are not losses, except that losses in a contest or tournament conducted in conjunction with an inter-casino linked system may be deducted to the extent of the compensation received for the right to participate in that contest or tournament.

2. The term does not include:

- (a) Counterfeit facsimiles of money, chips, tokens, wagering instruments or wagering credits;
- (b) Coins of other countries which are received in gaming devices;
- (c) Any portion of the face value of any chip, token or other representative of value won by a licensee from a patron for which the licensee can demonstrate that it or its affiliate has not received cash;
- (d) Cash taken in fraudulent acts perpetrated against a licensee for which the licensee is not reimbursed;
- (e) Cash received as entry fees for contests or tournaments in which patrons compete for prizes, except for a contest or tournament conducted in conjunction with an inter-casino linked system; or
- (f) Uncollected baccarat commissions.

3. As used in this section, "baccarat commission" means:

- (a) A fee assessed by a licensee on cash paid out as a loss to a patron at baccarat to modify the odds of the game; or
- (b) A rate or fee charged by a licensee for the right to participate in a baccarat game.

(Added to NRS 1967, 1039; A 1981, 1543; 1985, 803, 2146; 1987, 90, 1274; 1993, 288; 1995, 465, 757, 1496)

463.0163 "Hearing examiner" defined.

"Hearing examiner" means a member of the state gaming control board or Nevada gaming commission or other person authorized by the state gaming control board or Nevada gaming commission to conduct investigative hearings.

(Added to NRS by 1967, 1039)--(Substituted in revision for NRS 463.0115)

463.0164 "Independent agent" defined.

1. "Independent agent" means any person who:

- (a) Approves or grants the extension of gaming credit on behalf of a state gaming licensee or collects a debt evidenced by a credit instrument; or
- (b) Contracts with a state gaming licensee or its affiliate to provide services outside of Nevada consisting of arranging complimentary transportation, food, lodging or other services, or any combination thereof, whose combined retail price per person exceeds \$1,000 in any 7-day period for guests at a licensed gaming establishment.

2. The term does not include:

- (a) A state gaming licensee;
- (b) A bonded collection agency licensed by the local government authorities in the jurisdiction where the agency has its principal place of business;
- (c) A licensed attorney;
- (d) A supplier of transportation;
- (e) A travel agency which receives compensation solely on the price of the transportation or lodging arranged for by the agency;
- (f) An employee of a state gaming licensee or its affiliate; or
- (g) A person who receives compensation for his services, other than cash, in an amount of not more than

\$1,000.

(Added to NRS by 1991, 798; A 1993, 308)

463.01643"Inter-casino linked system" defined.

"Inter-casino linked system" means a network of electronically interfaced similar games which are located at two or more licensed gaming establishments that are linked to conduct gaming activities, contests or tournaments.

(Added to NRS by 1995, 756)

463.0165"License" defined.

"License" means a gaming license, a manufacturer's or distributor's license, a license issued to a disseminator of information concerning racing or a license issued to an operator of an off-track pari-mutuel system.

(Added to NRS by 1967, 1599; A 1991, 1838; 1993, 309)

463.0167"License fees" defined.

"License fees" means any money required by law to be paid to obtain or renew a gaming license, manufacturer's or distributor's license or license issued to an operator of an off-track pari-mutuel system. The term also includes the fees paid by a disseminator of information concerning racing.

(Added to NRS by 1967, 1039; A 1967, 1599; 1993, 309)

463.0169"Licensed gaming establishment" defined.

"Licensed gaming establishment" means any premises licensed pursuant to the provisions of this chapter wherein or whereon gaming is done.

(Added to NRS by 1967, 1039)--(Substituted in revision for NRS 463.0118)

463.0171"Licensee" defined.

"Licensee" means any person to whom a valid gaming license, manufacturer's or distributor's license, license for the operation of an off-track pari-mutuel system or license for dissemination of information concerning racing has been issued.

(Added to NRS by 1967, 1039; A 1967, 1599; 1993, 309)

463.0172"Manufacturer" defined.

"Manufacturer" means a person who:

1. Manufactures, assembles, programs or makes modifications to a gaming device or cashless wagering system; or
2. Designs, controls the design or assembly 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 or in a cashless wagering system, for use or play in this state or for distribution outside of this state.

(Added to NRS by 1993, 829)

463.0173"Manufacturer's, seller's or distributor's license" defined.

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

(Added to NRS by 1967, 1600)--(Substituted in revision for NRS 463.0120)

463.0175"Member," "board member" and "commission member" defined.

"Member" or "board member" or "commission member" means a member of the state gaming control board or a member of the Nevada gaming commission.

(Added to NRS by 1967, 1039)--(Substituted in revision for NRS 463.0121)

463.0177"Nonrestricted license" and "nonrestricted operation" defined.

"Nonrestricted license" or "nonrestricted operation" means a state gaming license for, or an operation consisting of, 16 or more slot machines or a license for or operation of any number of slot machines together with any other game, gaming device, race book or sports pool at one establishment.

(Added to NRS by 1981, 1068)

463.0179"Operation" defined.

"Operation" means the conduct of gaming.

(Added to NRS by 1967, 1039)--(Substituted in revision for NRS 463.0122)

463.018"Operator of a slot machine route" defined.

"Operator of a slot machine route" means a person who, under any agreement whereby consideration is paid or payable for the right to place slot machines, engages in the business of placing and operating slot machines upon the business premises of others at three or more locations.

(Added to NRS by 1983, 1332; A 1985, 2262)

463.01805"Operator of an inter-casino linked system" defined.

"Operator of an inter-casino linked system" means a person who, under any agreement whereby consideration is paid or payable for the right to place an inter-casino linked system, engages in the business of placing and operating an inter-casino linked system upon the premises of two or more licensed gaming establishments, and who is authorized to share in the revenue from the linked games without having been individually licensed to conduct gaming at the establishment.

(Added to NRS by 1995, 756)

463.0181"Party" defined.

"Party" means the state gaming control board and any licensee or other person appearing of record in any proceeding before the commission; or the Nevada gaming commission and any licensee or other person appearing of record in any proceeding for judicial review of any action, decision or order of the commission.

(Added to NRS by 1967, 1039)--(Substituted in revision for NRS 463.0123)

463.0182"Periodic payments" defined.

"Periodic payments" means a series of payments that are disbursed at least annually to remit payouts on winning wagers to a patron.

(Added to NRS by 1995, 756)

463.0185"Quarter" and "calendar quarter" defined.

"Quarter" or "calendar quarter" means a period of 3 consecutive months commencing on the 1st day of January, April, July or October in any year.

(Added to NRS by 1967, 1040)--(Substituted in revision for NRS 463.0125)

463.01855"Race book" defined.

"Race book" means the business of accepting wagers upon the outcome of any event held at a track which uses the pari-mutuel system of wagering.

(Added to NRS by 1985, 2133)

463.0186"Regulation" defined.

"Regulation" means a rule, standard, directive or statement of general applicability which effectuates law or policy, or describes the procedure or requirements for practicing before the board or commission. The term includes a proposed regulation and the amendment or repeal of a prior regulation, but does not include:

1. A statement concerning only the internal management of the board or commission and not affecting the

rights or procedures available to any licensee or other person;

2. A declaratory ruling;

3. An interagency memorandum or a memorandum between the board and the commission;

4. The board's or the commission's decision in a contested case or relating to an application for a license; or

5. Any notice concerning the fees to be charged which are necessary for the administration of this chapter.

(Added to NRS by 1983, 562)

463.01865"Resort hotel" defined.

"Resort hotel" means any building or group of buildings that is maintained as and held out to the public to be a hotel where sleeping accommodations are furnished to the transient public and that has:

1. More than 200 rooms available for sleeping accommodations;

2. At least one bar with permanent seating capacity for more than 30 patrons that serves alcoholic beverages sold by the drink for consumption on the premises;

3. At least one restaurant with permanent seating capacity for more than 60 patrons that is open to the public 24 hours each day and 7 days each week; and

4. A gaming area within the building or group of buildings.

(Added to NRS by 1991, 1405)

463.0187"Respondent" defined.

"Respondent" means any licensee or other person against whom the board has filed a complaint with the commission.

(Added to NRS by 1967, 1040)--(Substituted in revision for NRS 463.0126)

463.0189"Restricted license" and "restricted operation" defined.

"Restricted license" or "restricted operation" means a state gaming license for, or an operation consisting of, not more than 15 slot machines and no other game or gaming device at an establishment in which the operation of slot machines is incidental to the primary business of the establishment.

(Added to NRS by 1981, 1068; A 1989, 1096)

463.0191"Slot machine" defined.

"Slot machine" means any mechanical, electrical or other device, contrivance or machine which, upon insertion of a coin, token or similar object, or upon payment of any consideration, is available to play or operate, the play or operation of which, whether by reason of the skill of the operator in playing a gambling game which is presented for play by the machine or application of the element of chance, or both, may deliver or entitle the person playing or operating the machine to receive cash, premiums, merchandise, tokens or any thing of value, whether the payoff is made automatically from the machine or in any other manner.

(Added to NRS by 1967, 1040; A 1985, 2135)

463.0193"Sports pool" defined.

"Sports pool" means the business of accepting wagers on sporting events by any system or method of wagering other than the system known as the pari-mutuel method of wagering.

(Added to NRS by 1975, 673)--(Substituted in revision for NRS 463.01275)

463.0195"Temporary work permit" defined.

"Temporary work permit" means a work permit which is valid only for a period not to exceed 90 days from its date of issue and is not renewable.

(Added to NRS by 1981, 1068)

463.0196"Tournament" defined.

"Tournament" means a series of contests.

(Added to NRS by 1991, 925)

463.01963 "Wagering credit" defined.

"Wagering credit" means a representative of value, other than a chip, token or wagering instrument, that is used for wagering at a game or gaming device and is obtained by the payment of cash or a cash equivalent, the use of a wagering instrument or the electronic transfer of money.

(Added to NRS by 1995, 1495)

463.01967 "Wagering instrument" defined.

"Wagering instrument" means a representative of value, other than a chip or token, that is issued by a licensee and approved by the board for use in a cashless wagering system.

(Added to NRS by 1995, 1496)

463.0197 "Work permit" defined.

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

(Added to NRS by 1981, 1068; A 1991, 1838)

463.0199 Attorney general is legal adviser for board and commission.

The attorney general and his deputies are the legal advisers for the commission and the board and shall represent the commission and the board in any proceeding to which either is a party.

[9:429:1955]--(NRS A 1959, 432; 1967, 1500; 1971, 1439; 1977, 1428; 1979, 649; 1981, 1281)--

(Substituted in revision for NRS 463.090)

## **GAMING POLICY COMMITTEE**

463.021 Creation; composition; terms; meetings; recommendations advisory and not binding.

1. The gaming policy committee, consisting of the governor as chairman and 10 members, is hereby created.
  2. The committee must be composed of:
    - (a) One member of the commission, designated by the commission;
    - (b) One member of the board, designated by the board;
    - (c) One member of the senate appointed by the legislative commission;
    - (d) One member of the assembly appointed by the legislative commission;
    - (e) One enrolled member of a Nevada Indian tribe appointed by the Inter-Tribal Council of Nevada, Inc.; and
    - (f) Five members appointed by the governor for terms of 2 years as follows:
      - (1) Two representatives of the general public;
      - (2) Two representatives of nonrestricted gaming licensees; and
      - (3) One representative of restricted gaming licensees.
  3. Members who are appointed by the governor serve at the pleasure of the governor.
  4. Members who are legislators serve terms beginning when the legislature convenes and continuing until the next regular session of the legislature is convened.
  5. The governor may call meetings of the gaming policy committee for the exclusive purpose of discussing matters of gaming policy. The recommendations concerning gaming policy made by the committee are advisory and not binding on the board or the commission in the performance of their duties and functions.
- (Added to NRS by 1961, 360; A 1971, 765; 1977, 1421; 1993, 1164)

## NEVADA GAMING COMMISSION

### 463.022 Creation; number of members.

The Nevada gaming commission, consisting of five members, is hereby created.  
(Added to NRS by 1959, 429)

### 463.023 Members: Qualifications and eligibility.

1. Each member of the commission shall be:

- (a) A citizen of the United States; and
- (b) A resident of the State of Nevada.

2. No member of the legislature, no person holding any elective office in the state government, nor any officer or official of any political party shall be eligible to appointment to the commission.

3. It is the intention of the legislature that the commission shall be composed of the most qualified persons available, preferably no two of whom shall be of the same profession or major field of industry; but no person actively engaged or having a direct pecuniary interest in gaming activities shall be a member of the commission.

4. Not more than three members of the commission shall be of the same major political affiliation.

(Added to NRS by 1959, 429; A 1961, 359)

### 463.024 Members: Appointment; chairman; terms; removal.

1. The governor shall appoint members of the commission and designate the member to serve as chairman of the commission.

2. After the initial terms, the term of office for each member of the commission is 4 years.

3. Any commissioner may be removed by the governor:

- (a) If, in his opinion, that commissioner is guilty of malfeasance in office or neglect of duty.
- (b) At any time without stated cause with the concurrence of a majority of the legislative commission.

(Added to NRS by 1959, 429; A 1961, 359; 1981, 66)

### 463.025 Members: Discharge of duties; certain political activities prohibited; oaths.

1. The commission members shall devote such time to the business of the commission as may be necessary to the discharge of their duties.

2. No member shall be:

- (a) A member of any political convention; or
- (b) A member of any committee of any political party.

3. Before entering upon the duties of his office, each member shall subscribe to the constitutional oath of office and, in addition, swear that he is not actively engaged in nor does he hold a direct pecuniary interest in gaming activities.

(Added to NRS by 1959, 430)

### 463.026 Members: Salaries.

The chairman of the commission is entitled to an annual salary of \$55,000. Each of the other members is entitled to an annual salary of \$40,000.

(Added to NRS by 1959, 430; A 1969, 648; 1981, 1107; 1985, 1879; 1991, 1921; 1995, 1497)

### 463.027 Board to furnish administrative and clerical services and equipment to commission; administrative costs.

1. The board shall furnish to the commission such administrative and clerical services and such furnishings, equipment, supplies, stationery, books, motor vehicles and all other things as the commission may deem necessary or desirable in carrying out its functions.

2. Except as otherwise provided in this chapter, all costs of administration incurred by the board on behalf of the commission shall be paid out on claims from the general fund in the state treasury in the same manner as other claims against the state are paid.

(Added to NRS by 1959, 430; A 1961, 662; 1963, 642; 1965, 705, 1032; 1967, 1499; 1971, 766)

#### 463.028Offices.

1. The commission shall keep its main office at Carson City, Nevada, in conjunction with the board in rooms provided by the buildings and grounds division of the department of administration.
2. The commission 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.  
(Added to NRS by 1959, 430; A 1961, 662; 1963, 1070; 1973, 1475; 1993, 1636)

#### 463.029Meetings; quorum.

1. Regular and special meetings of the commission may be held, at the discretion of the commission, at such times and places as it may deem convenient, but at least one regular meeting may be held each month on or after the 15th day of the month.
2. A majority of the members is a quorum of the commission.  
(Added to NRS by 1959, 430; A 1983, 1444)

## STATE GAMING CONTROL BOARD

#### 463.030Creation; number of members.

The state gaming control board, consisting of three members, is hereby created.  
[3:429:1955]

#### 463.040Members: Qualifications and eligibility.

1. Each member of the board shall:
  - (a) Be a citizen of the United States.
  - (b) Be, or within 6 months after appointment become and remain, a resident of the State of Nevada.
2. No member of the legislature, no person holding any elective office in the state government, nor any officer or official of any political party is eligible for appointment to the board.
3. It is the intention of the legislature that the board be composed of the most qualified persons available.
4. The chairman of the board, who is its executive director, must have at least 5 years of responsible administrative experience in public or business administration or possess broad management skills.
5. One member of the board must be a certified public accountant licensed by this state or another state of the United States or a public accountant qualified to practice public accounting under the provisions of chapter 628 of NRS, have 5 years of progressively responsible experience in general accounting, and have a comprehensive knowledge of the principles and practices of corporate finance; or such person must possess the qualifications of an expert in the fields of corporate finance and auditing, general finance, gaming or economics.
6. One member of the board must be selected with special reference to his training and experience in the fields of investigation, law enforcement, law or gaming.  
[4:429:1955]--(NRS A 1959, 431; 1971, 766; 1981, 677)

#### 463.050Members: Appointment; terms; chairman and executive director; removal.

1. After the initial terms, the term of office of each member of the board is 4 years.
2. The governor shall appoint the members of the board and designate one member to serve as chairman and executive director, who shall coordinate the activities of the board.
3. The governor may remove any member for misfeasance, malfeasance or nonfeasance in office. Removal may be made after:
  - (a) The member has been served with a copy of the charges against him; and
  - (b) A public hearing before the governor is held upon the charges, if requested by the member charged.The request for a public hearing must be made within 10 days after service upon such member of the charges. If a hearing is not requested, a member is removed effective 10 days after service of charges upon him. A record of the proceedings at the public hearing must be filed with the secretary of state.  
[5:429:1955]--(NRS A 1959, 431; 1961, 360; 1971, 767; 1973, 1266; 1981, 66)

463.060Members: Other employment and certain political activities and financial interests prohibited; oaths.

1. Except as otherwise provided in NRS 284.143, each member shall devote his entire time and attention to the business of the board and shall not pursue any other business or occupation or hold any other office of profit.

2. A member shall not be:

(a) A member of any political convention.

(b) A member of any committee of any political party, or engage in any party activities.

3. A member shall not be pecuniarily interested in any business or organization holding a gaming license under this chapter or doing business with any person or organization licensed under this chapter.

4. Before entering upon the duties of his office, each member shall subscribe to the constitutional oath of office and, in addition, swear that he is not pecuniarily interested in any business or organization holding a gaming license or doing business with any such person or organization. The oath of office shall be filed in the office of the secretary of state.

[6:429:1955]--(NRS A 1959, 431; 1975, 934; 1977, 1114)

463.070Members: Compensation.

The board members are each entitled to receive an annual salary in the amount specified by the legislature. [7:429:1955]--(NRS A 1959, 432; 1965, 705; 1967, 1499; 1971, 767; 1987, 1309)

463.080Organization; administrative expenses; employees; regulations concerning employees.

1. The board, with the approval of the commission, may:

(a) Establish, and from time to time alter, such a plan of organization as it may deem expedient.

(b) Acquire such furnishings, equipment, supplies, stationery, books, motor vehicles and other things as it may deem necessary or desirable in carrying out its functions.

(c) Incur such other expenses, within the limit of money available to it, as it may deem necessary.

2. Except as otherwise provided in this chapter, all costs of administration incurred by the board must be paid out on claims from the state general fund in the same manner as other claims against the state are paid.

3. The board shall, within the limits of legislative appropriations or authorizations, employ and fix the salaries of or contract for the services of such professional, technical and operational personnel and consultants as the execution of its duties and the operation of the board and commission may require.

4. The members of the board and all the personnel of the board, except clerical employees and employees described in NRS 284.148, are exempt from the provisions of chapter 284 of NRS. They are entitled to such leaves of absence as the board prescribes, but such leaves must not be of lesser duration than those provided for other state employees pursuant to chapter 284 of NRS. Employees described in NRS 284.148 are subject to the limitations specified in that section.

5. Clerical employees of the board are in the classified service but are exempt from the provisions of chapter 284 of NRS for purposes of removal. They are entitled to receive an annual salary which must be fixed in accordance with the pay plan adopted under the provisions of that chapter.

6. The board and the commission shall, by suitable regulations, establish a comprehensive plan governing employment, job classifications and performance standards, and retention or discharge of employees to assure that termination or other adverse action is not taken against such employees except for cause. The regulations must include provisions for hearings in personnel matters and for review of adverse actions taken in those matters.

[8:429:1955]--(NRS A 1959, 432; 1965, 1032; 1967, 1028, 1499; 1971, 767; 1981, 1074; 1993, 2092)

463.085Executive secretary: Appointment; removal; duties; other employment prohibited; salary.

1. The position of executive secretary of the state gaming control board and of the Nevada gaming commission is hereby created.

2. The executive secretary:

(a) Is appointed by the board with the approval of the commission, and may be removed by the board with the concurrence of the commission.

(b) Is responsible for the conduct of the commission's administrative matters and shall assist the board in

administrative matters.

(c) Shall, except as otherwise provided in NRS 284.143, devote his entire time and attention to the business of his office and shall not pursue any other business or occupation or hold any other office of profit.

3. The executive secretary is entitled to an annual salary in the amount specified by the commission within the limits of legislative appropriations or authorizations.

(Added to NRS by 1971, 765; A 1971, 1438; 1979, 773)

#### 463.095 Employment of consultants.

The board may employ the services of such persons as it considers necessary for the purposes of consultation or investigation.

(Added to NRS by 1971, 672; A 1981, 1074)

#### 463.100 Offices.

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.

[10:429:1955]--(NRS A 1959, 432; 1961, 662; 1963, 1070; 1973, 1475; 1993, 1636)

#### 463.110 Meetings; quorum; investigative hearings.

1. The board may hold regular and special meetings at such times and places as it may deem convenient, and it may hold at least one regular meeting each month.

2. All meetings of the board are open to the public except for investigative hearings which may be conducted in private at the discretion of the board or hearing examiner.

3. A majority of the members constitutes a quorum of the board, and a majority of members present at any meeting determines the action of the board.

4. Investigative hearings may be conducted by one or more members with the concurrence of a majority of the board, or by a hearing examiner appointed by the board, without notice, at such times and places, within or without the State of Nevada, as may be convenient.

[11:429:1955]--(NRS A 1959, 433; 1973, 1267; 1977, 1428; 1979, 773; 1983, 1444)

## **POWERS AND DUTIES OF BOARD AND COMMISSION**

#### 463.120 Records of board and commission; report to legislature by board.

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, all information and data:

(a) Required by the board or commission to be furnished to it under this chapter or which may be otherwise obtained relative to the finances, earnings or revenue of any applicant or licensee;

(b) Pertaining to an applicant'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; or

(d) Obtained by the board from a manufacturer, distributor or operator relating to the manufacturing of gaming devices,

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. 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. 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. The files, records and reports of the board are open at all times to inspection by the commission and its authorized agents.

8. 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. 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.

[12:429:1955]--(NRS A 1959, 433; 1971, 672; 1979, 773; 1981, 1075; 1985, 1553, 1862; 1993, 309, 2118, 2128; 1995, 201, 1497, 1503)

463.125 Commission may require certain nonrestricted licensees to report and maintain records of transactions involving cash.

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.

(Added to NRS by 1985, 1299)

463.140 General powers and duties of board and commission.

1. The provisions of this chapter with respect to state gaming licenses and manufacturer's, seller's and distributor's licenses must be administered by the board and the commission, which shall administer them for the protection of the public and in the public interest in accordance with the policy of this state.

2. The board and the commission and their agents may:

(a) Inspect and examine all premises wherein gaming is conducted or gambling devices or equipment are manufactured, sold or distributed.

(b) Inspect all equipment and supplies in, upon or about such premises.

(c) Summarily seize and remove from such premises and impound any equipment, supplies, documents or records for the purpose of examination and inspection.

(d) Demand access to and inspect, examine, photocopy and audit all papers, books and records of any applicant or licensee, on his premises, or elsewhere as practicable, and in the presence of the applicant or licensee, or his agent, respecting the gross income produced by any gaming business, and require verification of income, and all other matters affecting the enforcement of the policy or any of the provisions of this chapter.

(e) Demand access to and inspect, examine, photocopy and audit all papers, books and records of any affiliate of a licensee whom the board or commission knows or reasonably suspects is involved in the financing, operation or management of the licensee. The inspection, examination, photocopying and audit may take place on the affiliate's premises or elsewhere as practicable, and in the presence of the affiliate or its agent.

3. For the purpose of conducting audits after the cessation of gaming by a licensee, the former licensee shall furnish, upon demand of an agent of the board, books, papers and records as necessary to conduct the audits. The former licensee shall maintain all books, papers and records necessary for audits for 1 year after the date of the surrender or revocation of his gaming license. If the former licensee seeks judicial review of a deficiency determination or files a petition for a redetermination, he must maintain all books, papers and records until a final order is entered on the determination.

4. The board may investigate, for the purpose of prosecution, any suspected criminal violation of the

provisions of this chapter, chapter 205 of NRS involving a crime against the property of a gaming licensee, NRS 207.195 or chapter 462, 463B, 464, 465 or 466 of NRS.

5. The board and the commission or any of its members has full power and authority to issue subpoenas and compel the attendance of witnesses at any place within this state, to administer oaths and to require testimony under oath. Any process or notice may be served in the manner provided for service of process and notices in civil actions. The board or the commission may pay such transportation and other expenses of witnesses as it may deem reasonable and proper. Any person making false oath in any matter before either the board or commission is guilty of perjury. The board and commission or any member thereof may appoint hearing examiners who may administer oaths and receive evidence and testimony under oath. [14:429:1955]--(NRS A 1959, 434; 1967, 1597; 1971, 541, 2079; 1975, 674; 1977, 1429, 1443, 1598; 1979, 1012; 1981, 1076; 1991, 1838, 2263; 1993, 575, 580, 2119, 2533; 1995, 427, 703)

463.1405 Investigation of qualifications of applicants and observation of conduct of licensees and other persons by board; absolute powers of board and commission.

1. The board shall investigate the qualifications of each applicant under this chapter before any license is issued or any registration, finding of suitability or approval of acts or transactions for which commission approval is required or permission is granted, and shall continue to observe the conduct of all licensees and other persons having a material involvement directly or indirectly with a licensed gaming operation or registered holding company to ensure that licenses are not issued or held by, nor is there any material involvement directly or indirectly with a licensed gaming operation or registered holding company by unqualified, disqualified or unsuitable persons, or persons whose operations are conducted in an unsuitable manner or in unsuitable or prohibited places or locations.

2. The board has full and absolute power and authority to recommend the denial of any application, the limitation, conditioning or restriction of any license, registration, finding of suitability or approval, the suspension or revocation of any license, registration, finding of suitability or approval or the imposition of a fine upon any person licensed, registered, found suitable or approved for any cause deemed reasonable by the board.

3. The commission has full and absolute power and authority to deny any application or limit, condition, restrict, revoke or suspend any license, registration, finding of suitability or approval, or fine any person licensed, registered, found suitable or approved, for any cause deemed reasonable by the commission. (Added to NRS by 1981, 1068)

463.141 Initiation of proceedings and actions to enforce chapters.

The commission or board shall initiate proceedings or actions appropriate to enforce the provisions of this chapter and chapter 462 of NRS, and may request that a district attorney or recommend that the attorney general prosecute any public offense committed in violation of any provision of this chapter or of chapter 462, 463B, 464 or 466 of NRS. If the board initiates any action or proceeding or requests the prosecution of any offense, it shall immediately notify the commission.

(Added to NRS by 1967, 1040; A 1981, 546; 1991, 2264; 1993, 2120)

463.142 Civil action by board to collect fees, interest, penalty or tax; attachment; records as evidence.

1. At any time:

(a) Within 5 years after any amount of fees, interest, penalties or tax required to be paid or collected pursuant to the provisions of this chapter becomes due and payable;

(b) Within 5 years after the delinquency of any amount of such fees, interest, penalties or tax; or

(c) Within 3 years after the board has, within one of the 5-year periods limited by paragraphs (a) and (b), made a determination of any fee, interest, penalty or tax pursuant to NRS 463.388, whichever period extends the longest,

the board may bring a civil action in the courts of this state, or any other state, or of the United States, in the name of the State of Nevada to collect the amount due together with penalties and interest. An action may be brought even though the person owing the amount is no longer a gaming licensee under the provisions of this chapter.

2. If the action is brought in this state:

(a) A writ of attachment may issue, and no bond or affidavit previous to the issuing of the attachment is required.

(b) The records of the board are prima facie evidence of the determination of the tax or the amount of the tax, the delinquency of the amount set forth and compliance by the board with all the provisions of this chapter in relation to the computation and determination of the amounts.

(Added to NRS by 1967, 1040; A 1969, 462; 1975, 1142; 1977, 1405; 1981, 1077)

#### 463.143 Exercise of other necessary powers by commission.

The commission may exercise any proper power and authority necessary to perform the duties assigned to it by the legislature, and is not limited by any enumeration of powers in this chapter.

(Added to NRS by 1967, 1040)

#### 463.144 Commission and board may refuse to reveal certain matters in court or administrative proceedings.

The commission and the board may refuse to reveal, in any court or administrative proceeding except a proceeding brought by the State of Nevada, the identity of an informant, or the information obtained from the informant, or both the identity and the information.

(Added to NRS by 1969, 785; A 1979, 774)

## REGULATIONS OF COMMISSION

#### 463.145 Adoption, amendment and repeal: Procedure.

1. The commission shall, pursuant to NRS 463.150, adopt, amend and repeal regulations in accordance with the following procedures:

(a) At least 30 days before the initial meeting of the commission and 20 days before any subsequent meeting at which the adoption, amendment or repeal of a regulation is considered, notice of the proposed action must be:

(1) Published in such newspaper as the commission prescribes;

(2) Mailed to every person who has filed a request therefor with the commission; and

(3) When the commission deems advisable, mailed to any person whom the commission believes would be interested in the proposed action, and published in such additional form and manner as the commission prescribes.

(b) The notice of proposed adoption, amendment or repeal must include:

(1) A statement of the time, place and nature of the proceedings for adoption, amendment or repeal;

(2) Reference to the authority under which the action is proposed; and

(3) Either the express terms or an informative summary of the proposed action.

(c) On the date and at the time and place designated in the notice, the commission shall afford any interested person or his authorized representative, or both, the opportunity to present statements, arguments or contentions in writing, with or without opportunity to present them orally. The commission shall consider all relevant matter presented to it before adopting, amending or repealing any regulation.

(d) Any interested person may file a petition with the commission requesting the adoption, amendment or repeal of a regulation. The petition must state, clearly and concisely:

(1) The substance or nature of the regulation, amendment or repeal requested;

(2) The reasons for the request; and

(3) Reference to the authority of the commission to take the action requested.

Upon receipt of the petition, the commission shall within 45 days deny the request in writing or schedule the matter for action pursuant to this subsection.

(e) In emergencies, the commission may summarily adopt, amend or repeal any regulation if at the same time it files a finding that such action is necessary for the immediate preservation of the public peace, health, safety, morals, good order or general welfare, together with a statement of the facts constituting the emergency.

2. In any hearing held pursuant to this section, the commission or its authorized representative may administer oaths or affirmations, and may continue or postpone the hearing from time to time and at such

places as it prescribes.

3. The commission may request the advice and assistance of the board in carrying out the provisions of this section.

(Added to NRS by 1959, 436; A 1965, 322; 1969, 312; 1973, 1267; 1977, 1418; 1987, 185; 1993, 310)

#### 463.150 Required provisions.

1. The commission shall, from time to time, adopt, amend or repeal such regulations, consistent with the policy, objects and purposes of this chapter as it may deem necessary or desirable in the public interest in carrying out the policy and provisions of this chapter.

2. These regulations must, without limiting the general powers herein conferred, include the following:

(a) Prescribing the method and form of application which any applicant for a gaming license or for a manufacturer's, seller's or distributor's license must follow and complete before consideration of his application by the board.

(b) Prescribing the information to be furnished by any applicant or licensee concerning his antecedents, habits, character, associates, criminal record, business activities and financial affairs, past or present.

(c) Prescribing the information to be furnished by a licensee relating to his gaming employees.

(d) Requiring fingerprinting of an applicant or licensee or employee of a licensee or other methods of identification.

(e) Prescribing the manner and procedure of all hearings conducted by the board or commission or any hearing examiner of the board or commission, including special rules of evidence applicable thereto and notices thereof.

(f) Requiring any applicant to pay all or any part of the fees and costs of investigation of such applicant as may be determined by the board.

(g) Prescribing the manner and method of collection and payment of fees and issuance of licenses.

(h) Defining and limiting the area, games and devices permitted, and the method of operation of such games and devices for the purposes of this chapter.

(i) Prescribing under what conditions the nonpayment of a gambling debt by a licensee shall be deemed grounds for revocation or suspension of his license.

(j) Governing the manufacture, sale and distribution of gambling devices and equipment.

(k) Requiring any applicant or licensee to waive any privilege with respect to any testimony at any hearing or meeting of the board or commission, except any privilege afforded by the constitutions of the United States or this state.

(l) Prescribing the qualifications of, and the conditions under which, attorneys, accountants and others are permitted to practice before the board or commission.

[15:429:1955]--(NRS A 1959, 435; 1967, 1598; 1969, 463; 1973, 1268; 1981, 1078)

#### 463.151 Regulations requiring exclusion or ejection of certain persons from licensed establishments: Persons included.

1. The legislature hereby declares that the exclusion or ejection of certain persons from licensed gaming establishments which conduct pari-mutuel wagering or operate any race book, sports pool or games, other than slot machines only, is necessary to effectuate the policies of this chapter and to maintain effectively the strict regulation of licensed gaming.

2. The commission may by regulation provide for the establishment of a list of persons who are to be excluded or ejected from any licensed gaming establishment which conducts pari-mutuel wagering or operates any race book, sports pool or games, other than slot machines only. The list may include any person whose presence in the establishment is determined by the board and the commission to pose a threat to the interests of this state or to licensed gaming, or both.

3. In making that determination, the board and the commission may consider any:

(a) Prior conviction of a crime which is a felony in this state or under the laws of the United States, a crime involving moral turpitude or a violation of the gaming laws of any state;

(b) Violation or conspiracy to violate the provisions of this chapter relating to:

(1) The failure to disclose an interest in a gaming establishment for which the person must obtain a license; or

(2) Willful evasion of fees or taxes;

(c) Notorious or unsavory reputation which would adversely affect public confidence and trust that the

gaming industry is free from criminal or corruptive elements; or

(d) Written order of a governmental agency which authorizes the exclusion or ejection of the person from an establishment at which gaming or pari-mutuel wagering is conducted.

4. Race, color, creed, national origin or ancestry, or sex must not be grounds for placing the name of a person upon the list.

(Added to NRS by 1967, 1041; A 1977, 1430; 1981, 540; 1985, 2136)

463.152 Regulations requiring exclusion or ejection of certain persons from licensed establishments: Notice to person whose name is placed on list.

Whenever the name and description of any person is placed on a list pursuant to NRS 463.151, the board shall serve notice of such fact to such person:

1. By personal service;
2. By certified mail to the last known address of such person; or
3. By publication daily for 1 week in one of the principal newspapers published in the city of Reno and in one of the principal newspapers published in the city of Las Vegas, Nevada.

(Added to NRS by 1967, 1041)

463.153 Regulations requiring exclusion or ejection of certain persons from licensed establishments: Hearing; disposition; judicial review.

1. Within 30 days after service by mail or in person or 60 days after the last publication, as provided in NRS 463.152, the person named may demand a hearing before the commission and show cause why he should have his name taken from such a list. Failure to demand a hearing within the time allotted in this section precludes the person from having an administrative hearing, but in no way affects his right to petition for judicial review as provided in paragraph (b) of subsection 3.

2. Upon receipt of a demand for hearing, the commission shall set a time and place for the hearing. This hearing must not be held later than 30 days after receipt of the demand for the hearing, unless the time of the hearing is changed by agreement of the commission and the person demanding the hearing.

3. If, upon completion of the hearing, the commission determines that:

(a) The regulation does not or should not apply to the person so listed, the commission shall notify all persons licensed under NRS 463.220 and 463.225 of its determination.

(b) Placing the person on the exclusion or ejection list was proper, the commission shall make and enter in its minutes an order to that effect. This order is subject to review by any court of competent jurisdiction in accordance with the provisions of NRS 463.315 to 463.318, inclusive.

(Added to NRS by 1967, 1041; A 1983, 1552; A 1985, 717; 1987, 186)

463.154 Regulations requiring exclusion or ejection of certain persons from licensed establishments: Penalties for failure to exclude or eject.

The commission may revoke, limit, condition, suspend or fine an individual licensee or licensed gaming establishment which conducts pari-mutuel wagering or operates any race book, sports pool or games, other than slot machines only, in accordance with the laws of this state and the regulations of the commission, if that establishment or any individual licensee affiliated therewith knowingly fails to exclude or eject from the premises of the licensed establishment any person placed on the list of persons to be excluded or ejected.

(Added to NRS by 1967, 1042; A 1977, 1431; 1979, 774; 1981, 541; 1985, 2136)

463.155 Regulations requiring exclusion or ejection of certain persons from licensed establishments: Unlawful entry by person whose name has been placed on list; penalty.

Any person who has been placed on the list of persons to be excluded or ejected from any licensed gaming establishment pursuant to NRS 463.151 is guilty of a gross misdemeanor if he thereafter enters the premises of a licensed gaming establishment which conducts pari-mutuel wagering or operates any race book, sports pool or games, other than slot machines only, without first having obtained a determination by the commission that he should not have been placed on the list of persons to be excluded or ejected.

(Added to NRS by 1967, 1042; A 1977, 1431; 1981, 541; 1985, 2136)

463.156 Regulations concerning financial practices of licensees: Adoption.

The commission shall, with the advice and assistance of the board, adopt regulations conforming to the requirements of NRS 463.157 to 463.1592, inclusive.

(Added to NRS by 1967, 1276)

463.157 Regulations concerning financial practices of licensees: Minimum procedures for control of internal fiscal affairs of nonrestricted licensees; internal audits.

The commission shall by regulation:

1. Prescribe minimum procedures for adoption by each nonrestricted licensee to exercise effective control over its internal fiscal affairs, which shall include but are not limited to provisions for:

(a) The safeguarding of its assets and revenues, especially the recording of cash and evidences of indebtedness; and

(b) The provision of reliable records, accounts and reports of transactions, operations and events, including reports to the board and the commission.

2. Provide for the adoption and use of internal audits, whether by qualified internal auditors or by accountants holding a permit to practice public accounting, in the case of each nonrestricted licensee whose operation equals or exceeds a specified size. As used in this subsection, "internal audit" means a type of control which operates through the testing and evaluation of other controls and which is also directed toward observing proper compliance with the minimum standards of control prescribed pursuant to subsection 1.

(Added to NRS by 1967, 1277)

463.158 Regulations concerning financial practices of licensees: Periodic financial reports from nonrestricted licensees.

The commission shall by regulation require periodic financial reports from each nonrestricted licensee, and:

1. Specify standard forms for reporting financial condition, results of operations and other relevant financial information.

2. Formulate a uniform code of accounts and accounting classifications to assure consistency, comparability and effective disclosure of financial information.

3. Prescribe the intervals at which such information shall be furnished. For this purpose the commission may classify licensees by size of operation.

(Added to NRS by 1967, 1277)

463.159 Regulations concerning financial practices of licensees: Audits, compilations and reviews of financial statements of nonrestricted licensees; independent accountants.

1. The commission shall by regulation require audits of the financial statements of all nonrestricted licensees whose annual gross revenue is \$5,000,000 or more.

2. The commission may require audits, compiled statements or reviews of the financial statements of nonrestricted licensees whose annual gross revenue is less than \$5,000,000.

3. The amounts of annual gross revenue provided for in subsections 1 and 2 must be increased or decreased annually in an amount corresponding to the percentage of increase or decrease in the Consumer Price Index (All Items) published by the United States Department of Labor for the preceding year. On or before December 15 of each year, the commission shall determine the amount of the increase or decrease required by this subsection and establish by regulation the adjusted amounts of annual gross revenue in effect for the succeeding calendar year. The audits, compilations and reviews provided for in subsections 1 and 2 must be made by independent accountants holding permits to practice public accounting in the State of Nevada.

4. Except as otherwise provided in subsection 5, for every audit required pursuant to this section:

(a) The independent accountants shall submit an audit report which must express an unqualified or qualified opinion or, if appropriate, disclaim an opinion on the statements taken as a whole in accordance with standards for the accounting profession established by rules and regulations of the Nevada state board of accountancy, but the preparation of statements without audit does not constitute compliance.

(b) The examination and audit must disclose whether the accounts, records and control procedures maintained by the licensee are as required by the regulations published by the commission pursuant to NRS 463.156 to 463.1592, inclusive.

5. If the license of a nonrestricted licensee is terminated within 3 months after the end of a period covered by an audit, the licensee may submit compiled statements in lieu of an additional audited statement for the licensee's final period of business.

(Added to NRS by 1967, 1277; A 1971, 673; 1985, 2137; 1991, 2255)

463.1592 Regulations concerning financial practices of licensees: Organization of audit function of state gaming control board; economic research and planning function.

The commission shall by regulation provide for:

1. The organization of the board's audit function in conformity with other accounting and auditing provisions of its regulations and with acceptable and modern auditing practices.
2. The organization and administration of an economic research and planning function by a central body which shall gather, evaluate and disseminate facts regarding the economics of the gaming industry and economic conditions affecting the industry. The regulations shall include provision for the organizational status of this body, its staffing structure, and a budget for its operations.

(Added to NRS by 1967, 1277)

463.1593 Regulations concerning financial practices of licensees: Duties of legislative auditor.

The legislative auditor shall in performing his regular audits of the commission and the board, and in addition whenever so directed by a concurrent resolution of the legislature, ascertain whether the control and related practices prescribed by NRS 463.157 to 463.1592, inclusive, are being efficiently, effectively and equitably administered.

(Added to NRS by 1967, 1278; A 1973, 1669)

463.1595 Regulations concerning financial practices of licensees: Computation and reporting of winnings, compensation and gross revenue.

The commission shall adopt regulations, consistent with NRS 463.371, which prescribe the manner in which winnings, compensation from games and gaming devices, and gross revenue must be computed and reported by the licensee.

(Added to NRS by 1981, 1543)

463.1596 Regulations concerning recovery of gaming debts by patrons.

The commission may adopt such regulations as it deems necessary to carry out the provisions of NRS 463.362 to 463.366, inclusive.

(Added to NRS by 1983, 1847)

463.1597 Regulations concerning licensing of corporations and limited partnerships.

The commission shall, with the advice and assistance of the board, adopt regulations to implement the provisions of NRS 463.482 to 463.645, inclusive, and shall thereafter maintain such regulations in conformity thereto.

(Added to NRS by 1971, 672)--(Substituted in revision for NRS 463.1594)

463.1598 Regulations governing sale or offering for sale of securities.

1. The commission may:

- (a) Adopt regulations governing the sale or offering for sale of securities, by public or other offerings, of any affiliated company of a corporate licensee.
  - (b) Pursue any remedy or combination of remedies provided in this chapter for a violation of any regulation adopted pursuant to this section, but any such violation does not affect the validity of the securities issued.
2. As used in this section, unless the context otherwise requires, "sale" means every contract of sale, contract to sell, disposition or transfer whether or not for value. The term includes any exchange and any material change in the rights, preferences, privileges or restrictions of or on outstanding securities.

(Added to NRS by 1981, 1073)

463.1599 Regulations governing operation of slot machine routes.

The commission shall, from time to time, adopt, amend or repeal such regulations, consistent with the policy, objects and purposes of this chapter as it may deem necessary or desirable in the public interest governing the operation of slot machine routes, the licensing of their operators and the reports appropriate to such an operation.

(Added to NRS by 1983, 1333)

#### 463.15993 Regulations governing operation of inter-casino linked systems.

The commission may adopt regulations governing the operation of inter-casino linked systems and the licensing of the operators of such systems.

(Added to NRS by 1995, 756)

## **GAMING**

#### 463.160 Licenses required; exceptions.

1. Except as otherwise provided in subsection 4, it is unlawful for any person, either as owner, lessee or employee, whether for hire or not, either solely or in conjunction with others:

(a) To deal, operate, carry on, conduct, maintain or expose for play in the State of Nevada any gambling game, gaming device, inter-casino linked system, slot machine, race book or sports pool;

(b) To provide or maintain any information service the primary purpose of which is to aid the placing or making of wagers on events of any kind; or

(c) To receive, directly or indirectly, any compensation or reward or any percentage or share of the money or property played, for keeping, running or carrying on any gambling game, slot machine, gaming device, race book or sports pool,

without having first procured, and thereafter maintaining in effect, all federal, state, county and municipal gaming licenses as required by statute, regulation or ordinance or by the governing board of any unincorporated town.

2. The licensure of an operator of an inter-casino linked system is not required if:

(a) A gaming licensee is operating an inter-casino linked system on the premises of an affiliated licensee; or

(b) An operator of a slot machine route is operating an inter-casino linked system consisting of slot machines only.

3. Except as otherwise provided in subsection 4, it is unlawful for any person knowingly to permit any gambling game, slot machine, gaming device, inter-casino linked system, race book or sports pool to be conducted, operated, dealt or carried on in any house or building or other premises owned by him, in whole or in part, by a person who is not licensed pursuant to this chapter, or his employee.

4. The commission may, by regulation, authorize a person to own or lease slot machines for the limited purpose of display or use in the person's private residence without procuring a state gaming license.

5. As used in this section, "affiliated licensee" has the meaning ascribed to it in NRS 463.430.

[16:429:1955]--(NRS A 1959, 437; 1961, 662; 1965, 1032; 1967, 1029, 1591; 1969, 372; 1971, 229; 1975, 675; 1977, 1423; 1979, 775, 1014, 1523; 1981, 1078; 1983, 140; 1985, 2137; 1989, 708, 969; 1995, 758)

#### 463.1605 Limitation on approval of nonrestricted license in county whose population is 100,000 or more; additional local regulation of resort hotels permissible.

1. Except as otherwise provided in subsection 3, the commission shall not approve a nonrestricted license, other than for the operation of a race book or sports pool at an establishment which holds a nonrestricted license to operate both gaming devices and a gambling game, for an establishment in a county whose population is 100,000 or more unless the establishment is a resort hotel.

2. A county, city or town may require resort hotels to meet standards in addition to those required by this chapter as a condition of issuance of a gaming license by the county, city or town.

3. The commission may approve a nonrestricted license for an establishment which is not a resort hotel at a new location if the establishment was acquired or displaced pursuant to a redevelopment project undertaken by an agency created pursuant to NRS 279.382 to 279.685, inclusive.

(Added to NRS by 1991, 1405; A 1993, 2048; 1995, 2234)

463.161 License to operate 15 or fewer slot machines: Conditions.

A license to operate 15 or fewer slot machines at an establishment in which the operation of slot machines is incidental to the primary business conducted at the establishment may only be granted to the operator of the primary business or to a licensed operator of a slot machine route.

(Added to NRS by 1985, 2262)

463.162 State gaming license required where equipment, services or property delivered or furnished for gaming interest or revenue; exemptions.

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.

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.

(Added to NRS by 1981, 1069; A 1987, 323; 1989, 403; 1991, 798; 1993, 1996)

463.163 Operation of gaming device in restricted area of public transportation facility: Prior approval of board required.

1. A licensee shall not operate a gaming device in a restricted area of a public transportation facility without prior approval of the board.

2. If approval to operate a gaming device in a restricted area of a public transportation facility is sought for a gaming device located in an area of a public transportation facility that may become a restricted area, the application for approval must be filed with the board at least 15 days before the anticipated restriction of the area or such shorter time as the board may allow.

3. As used in this section:

(a) "Public transportation facility" has the meaning ascribed to it in NRS 463.177.

(b) "Restricted area" means a portion of a public transportation facility for which the access of the general public is restricted or screening of the general public is required.

(Added to NRS by 1991, 968)

463.165 Licensing of certain persons having significant influence over gaming operation of licensee; remuneration, contracts and employment prohibited for certain unsuitable or unlicensed persons.

1. Except for persons associated with licensed corporations, limited partnerships or limited- liability companies and required to be licensed pursuant to NRS 463.530, 463.569 or 463.5735, each employee, agent, guardian, personal representative, lender or holder of indebtedness of a gaming licensee who, in the opinion of the commission, has the power to exercise a significant influence over the licensee's operation of a gaming establishment may be required to apply for a license.

2. A person required to be licensed pursuant to subsection 1 shall apply for a license within 30 days after the commission requests that he do so.

3. If an employee required to be licensed under subsection 1:

(a) Does not apply for a license within 30 days after being requested to do so by the commission, and the commission makes a finding of unsuitability for that reason;

(b) Is denied a license; or

(c) Has his license revoked by the commission,

the licensee by whom he is employed shall terminate his employment in any capacity in which he is required to be licensed and shall not permit him to exercise a significant influence over the operation of the gaming establishment upon being notified by registered or certified mail of that action.

4. A gaming licensee or an affiliate of the licensee shall not pay to a person whose employment has been terminated pursuant to subsection 3 any remuneration for any service performed in any capacity in which he is required to be licensed, except for amounts due for services rendered before the date of receipt of notice of the action by the commission. Any contract or agreement for personal services or for the conduct of any activity at the licensed gaming establishment between a gaming licensee or an affiliate of the licensee and a person terminated pursuant to subsection 3 is subject to termination. Every such agreement shall be deemed to include a provision for its termination without liability on the part of the licensee or registered holding company upon a finding by the commission that the person is unsuitable to be associated with a gaming enterprise. 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.

5. A gaming licensee or an affiliate of the licensee shall not, without the prior approval of the commission, enter into any contract or agreement with a person who is found unsuitable or who is denied a license or whose license is revoked by the commission or with any business enterprise under the control of that person after the date of receipt of notice of the action by the commission. Every contract or agreement for personal services to a gaming licensee or an affiliate or for the conduct of any activity at a licensed gaming establishment shall be deemed to include a provision for its termination without liability on the part of the licensee or registered holding company upon a finding by the commission that the person is unsuitable to be associated with a gaming enterprise. Failure expressly to include such a condition in the agreement is

not a defense in any action brought pursuant to this section to terminate the agreement.

6. A gaming licensee or an affiliate of the licensee shall not employ any person in a capacity for which he is required to be licensed, if he has been found unsuitable or denied a license, or whose license has been revoked by the commission, after the date of receipt of notice of the action by the commission, without prior approval of the commission.

7. As used in this section, "affiliate" means a person who, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with a licensee.

(Added to NRS by 1977, 1425; A 1979, 474, 1525; 1981, 1064; 1993, 1998)

#### 463.167 Suitability or licensing of certain persons furnishing services or property or doing business with gaming licensee; termination of association.

1. The commission may determine the suitability, or may require the licensing, of any person who furnishes services or property to a state gaming licensee under any arrangement pursuant to which the person receives payments based on earnings, profits or receipts from gaming. The commission may require any such person to comply with the requirements of this chapter and with the regulations of the commission. If the commission determines that any such person is unsuitable, it may require the arrangement to be terminated.

2. If the premises of a licensed gaming establishment are directly or indirectly owned or under the control of the licensee therein, or of any person controlling, controlled by, or under common control with the licensee, the commission may, upon recommendation of the board, require the application of any person for a determination of suitability to be associated with a gaming enterprise if the person:

(a) Does business on the premises of the licensed gaming establishment;

(b) Is an independent agent or does business with a licensed gaming establishment as a ticket purveyor, a tour operator, the operator of a bus program, or as the operator of any other type of casino travel program or promotion; or

(c) Provides any goods or services to the licensed gaming establishment for a compensation which the board finds to be grossly disproportionate to the value of the goods or services.

3. If the commission determines that the person is unsuitable to be associated with a gaming enterprise, the association must be terminated. Any agreement which entitles a business other than gaming to be conducted on the premises, or entitles a person other than gaming to conduct business with the licensed gaming establishment as set forth in paragraph (b) or (c) of subsection 2, is subject to termination upon a finding of unsuitability of the person associated therewith. Every such agreement must 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 associated therewith is unsuitable to be associated with a gaming enterprise. 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 following demand or the unsuitable association is not terminated, the commission may pursue any remedy or combination of remedies provided in this chapter.

(Added to NRS by 1981, 1070; A 1991, 800)

#### 463.168 Suitability of certain persons providing transmission services in association with licensee; termination of association.

1. The commission, upon recommendation by the board, may require a natural person or an entity providing services in connection with the transmission of live broadcasts to file an application for a finding of suitability.

2. If the commission determines that the person or entity is unsuitable to provide transmission services, any association or agreement between the provider and a licensee must be terminated, unless otherwise provided by the commission.

3. An agreement between such a person or entity and a licensee 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 provider is unsuitable to be associated with a licensee. Failure to include that condition in the agreement is not a defense in any action brought concerning the termination of an agreement pursuant to this section.

4. If an application for a finding of suitability is not submitted to the board within 30 days after the commission so requests, the commission may pursue any remedy or combination of remedies provided in this chapter.

5. Failure of a licensee to terminate any association or agreement with a person or entity providing services in connection with the transmission of live broadcasts after receiving notice of a determination of unsuitability, or the failure of the provider to file a timely application for a finding of suitability, is an unsuitable method of operation.

(Added to NRS by 1993, 306)

463.169 Registration or licensing of person conducting certain tournaments or contests in association with gaming licensee; termination of association.

1. A person shall not receive any consideration, direct or indirect, for conducting a tournament or contest on behalf of or in conjunction with a gaming licensee:

(a) Which involves a sporting event upon which wagers may be accepted or racing held at a track which uses the pari-mutuel system of wagering or gaming;

(b) In which persons pay a fee for the privilege of participating; and

(c) In which prizes are awarded to winners,

unless he has registered with the board in the manner prescribed by the board and supplied such information as the commission requires or unless he is an officer or employee of the licensee.

2. Any person who conducts a tournament or contest on behalf of or in conjunction with a gaming licensee may be required by the commission to be licensed by it as well as registered with the board. Any person so required must apply for a license within 30 days after the decision of the commission requiring him to obtain the license.

3. If any person required to be licensed pursuant to subsection 2:

(a) Does not apply for a license within 30 days after the decision of the commission that he must be licensed, and the commission finds him unsuitable for that reason; or

(b) Is denied a license,

the gaming licensee with whom he is associated shall terminate that association upon notification from the commission by registered or certified mail of its action.

(Added to NRS by 1985, 2134)

463.170 Qualifications for license or finding of suitability.

1. Any person who the commission determines is qualified to receive a license or be found suitable 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 or found suitable, as appropriate. The burden of proving his qualification to receive any license or be found suitable 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 must not be granted unless the applicant has satisfied the commission that:

(a) He 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.

[17:429:1955]--(NRS A 1959, 438; 1967, 1585; 1977, 1431; 1979, 1526; 1991, 2264; 1993, 185, 1999; 1995, 202)

463.172 Circumstances under which person already licensed or found suitable not required to requalify.

A person who is licensed or has been found suitable by the commission does not have to requalify for a license or a finding of suitability whenever he makes his interest the subject matter of a revocable trust in which he retains the entire interest as the sole trustee and the sole beneficiary during his lifetime. Such a person must file a copy of the trust instrument or any amendment thereof with the board and receive administrative approval from the chairman of the board before the transfer of the interest becomes effective and before the effective date of any amendment. An administrative approval received pursuant to this section relates back to the date on which the trust was executed.

(Added to NRS by 1981, 1249; A 1995, 203)

463.173 Restrictions on person denied license or found unsuitable.

1. A person who has had his application for a license denied or who has been found unsuitable by the commission:

(a) Is not entitled to profit from his investment in a:

(1) Corporation other than a publicly traded corporation, as that term is defined in NRS 463.487;

(2) Partnership;

(3) Limited partnership;

(4) Limited-liability company; or

(5) Joint venture,

which has applied for or been granted a license.

(b) Shall not retain his interest in a corporation, partnership, limited partnership, limited-liability company or joint venture beyond that period prescribed by the commission.

(c) Shall not accept more for his interest in a corporation, partnership, limited partnership, limited-liability company or joint venture than he paid for it or the market value on the date of the denial of the license or the finding of unsuitability.

2. The board or commission may proceed pursuant to NRS 463.141 to enforce the provisions of subsection

1.

(Added to NRS by 1985, 2133; A 1993, 2000)

#### 463.175 Exemption of bank acting as fiduciary from certain requirements.

1. As used in this section:

(a) "Bank" means a national banking association which has its chief place of business in this state, a banking corporation formed under the laws of this state or a trust company formed under the laws of this state which has its chief place of business in this state.

(b) "Fiduciary" means an executor, an administrator, a special administrator, a trustee of an inter vivos trust, a trustee of a testamentary trust, an escrow agent, a depository or any combination thereof.

2. The commission may, selectively or by general regulation, at any time and from time to time, exempt a bank 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.

(Added to NRS by 1973, 846; A 1981, 1081)

#### 463.177 Exemption of governing body leasing portion of facility for public transportation for operation of slot machines.

1. As used in this section:

(a) "Governing body" includes the governing body of a political subdivision of this state and every authority composed of representatives of those bodies.

(b) "Public transportation facility" means an airport, marina, bus terminal or train station owned and operated by a governing body.

2. The commission may exempt a governing body, which leases a portion of a public transportation facility for the operation of slot machines only, from the provisions of NRS 463.160, 463.162, 463.167 and 463.170, and the regulations of the commission relating to gaming if:

(a) The lessee who is operating the slot machines complies with all applicable federal, state and local licensing requirements; and

(b) The terms of the lease provide for the immediate termination of the lease upon the revocation of any license necessary to operate the slot machines.

3. The commission may grant, deny, limit, condition, suspend or revoke any exemption or any application for an exemption.

4. The grant of an exemption under this section does not create any vested rights.

(Added to NRS by 1981, 1071)

#### 463.180 Qualifications for county license.

1. A person is not qualified to hold any county license unless he is the holder of a valid state license and unless he meets such other qualifications as may be imposed by any valid county ordinance.

2. A county shall not deny a gaming license, finding of suitability or approval to a person solely because he is not a citizen of the United States.

[18:429:1955]--(NRS A 1979, 1170)

#### 463.190 Qualifications for municipal license.

1. A person is not permitted to engage in gaming operations in any city or town in this state, unless he has in force valid state and county licenses, as well as any licenses required by the city or town.

2. A city or town shall not deny a gaming license, finding of suitability or approval to a person solely because he is not a citizen of the United States.

[19:429:1955]--(NRS A 1979, 1171; 1983, 140)

463.192 Gaming enterprise district: Approval of nonrestricted license prohibited under certain circumstances.

The commission shall not approve a nonrestricted license for an establishment in a county whose population is 400,000 or more unless the establishment is located in a gaming enterprise district. (Added to NRS by 1989, 1391)

463.194 Gaming enterprise district: Petition for designation of location; hearing; limitation on subsequent petition.

1. In a county whose population is 400,000 or more, any person proposing to operate an establishment not located in a gaming enterprise district may petition the county, city or town having jurisdiction over the location of the proposed establishment to have the location designated a gaming enterprise district.
2. The petition must not be granted unless the petitioner demonstrates that:
  - (a) The roads, water, sanitation, utilities and related services to the location are adequate;
  - (b) The proposed establishment will not unduly impact public services, consumption of natural resources and the quality of life enjoyed by residents of the surrounding neighborhoods;
  - (c) The proposed establishment will enhance, expand and stabilize employment and the local economy;
  - (d) The proposed establishment will be located in an area planned or zoned for that purpose pursuant to NRS 278.010 to 278.630, inclusive; and
  - (e) The proposed establishment will not be detrimental to the health, safety or general welfare of the community or be incompatible with the surrounding area.
3. Any interested person is entitled to be heard at the hearing held to consider a petition submitted pursuant to this section.
4. A county, city or town that denies a petition submitted pursuant to this section shall not consider another petition concerning the same location or any portion thereof for 1 year after the date of the denial. (Added to NRS by 1989, 1391)

463.200 Application for state license: Contents; supplemental forms.

1. Application for a state gaming license or other commission action shall be made to the board on forms furnished by the board and in accordance with the regulations of the commission.
2. The application for a license shall include:
  - (a) The name of the proposed licensee.
  - (b) The location of his place or places of business.
  - (c) The gambling games, gaming device or slot machines to be operated.
  - (d) The names of all persons directly or indirectly interested in the business and the nature of such interest.
  - (e) Such other information and details as the board may require in order to discharge its duty properly.
3. The board shall furnish to the applicant supplemental forms, which the applicant shall complete and file with the application. Such supplemental forms shall require, but shall not be limited to, complete information and details with respect to the applicant's antecedents, habits, character, criminal record, business activities, financial affairs and business associates, covering at least a 10-year period immediately preceding the date of filing of the application. [20:429:1955]--(NRS A 1975, 677)

463.210 Investigation of applicant; order of board recommending approval or denial of license.

1. Within a reasonable time after filing of an application and such supplemental information as the board may require, the board shall commence its investigation of the applicant and shall conduct such proceedings in accordance with applicable regulations as it may deem necessary.
2. If a person has applied for a position which cannot be held pending licensure or approval by the commission, the board shall use its best efforts to enter its order concerning the application not longer than 9 months after the application and supporting data are completed and filed with the board. If denial of an application is recommended, the board shall prepare and file with the commission its written reasons upon which the order is based.
3. The board shall have full and absolute power and authority to recommend denial of any application for any reasonable cause.
4. A recommendation of denial of an application is without prejudice to a new and different application if

made in conformity to regulations applicable to such situations.  
[21:429:1955]--(NRS A 1959, 438; 1975, 677; 1981, 1081)

#### 463.220 Action by commission on application; further investigation; hearing.

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) Remand the matter to the board for such further investigation and reconsideration as the commission may order; or
  - (c) 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.

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.

[22:429:1955]--(NRS A 1959, 439; 1967, 1030; 1969, 402; 1975, 678; 1981, 1081; 1983, 398; 1985, 717)

#### 463.225 Issuance of state licenses; bonds and deposits; account for bonds of state gaming licensees.

1. If satisfied that an applicant is eligible to receive a state gaming, manufacturing, selling, distributing or pari-mutuel wagering license, and upon tender of:
  - (a) All license fees and taxes as required by law and regulation of the commission; and
  - (b) A bond executed by the applicant as principal, and by a corporation qualified under the laws of this state as surety, payable to the State of Nevada, and conditioned upon the payment of license fees and taxes and the faithful performance of all requirements imposed by law or regulation or the conditions of the license,the commission shall issue and deliver to the applicant a license entitling him to engage in the gaming, manufacturing, selling, distributing or pari-mutuel wagering operation for which he is licensed, together with an enumeration of the specific terms and conditions of the license. The commission shall prepare and maintain a written record of the specific terms and conditions of any license issued and of any modification to the license. A duplicate of the record must be delivered to the applicant or licensee upon request.
2. The commission shall fix the amount of the bond to be required pursuant to subsection 1 at no more than the total amount of license fees and taxes estimated to become due from the licensee before his full compliance with the requirements of subsection 3 of NRS 463.370. The bond so furnished may be applied

by the commission to the payment of any unpaid liability of the licensee pursuant to this chapter.

3. In lieu of a bond an applicant may deposit with the commission a like amount of lawful money of the United States or any other form of security authorized by NRS 100.065. If security is provided in the form of a savings certificate, certificate of deposit or investment certificate, the certificate must state that the amount is unavailable for withdrawal except upon order of the commission.

4. If the requirement for a bond is satisfied in:

(a) Cash, the commission shall deposit the money in the state treasury for credit to the account for bonds of state gaming licensees, which is hereby created in the state agency fund for bonds.

(b) Any other authorized manner, the security must be placed without restriction at the disposal of the commission, but any income must inure to the benefit of the licensee.

(Added to NRS 1985, 716; A 1987, 187; 1989, 1073; 1991, 925, 1774, 1827)

#### 463.230 Issuance of county license.

1. Any person to whom a state license has been issued as provided in this chapter may, upon proper application to the sheriff if there is no county license department or to that department of the county wherein it is proposed that such gaming operation shall be conducted, be issued a license for each particular device or game or slot machine, upon compliance with such conditions and regulations as may be imposed by the county, and on payment to the sheriff or county license department of license fees as required by law or ordinance.

2. Licenses:

(a) Must be prepared by the county auditor or by the county comptroller, if such officer is appointed pursuant to NRS 251.170, and contain such information as is required by county ordinance.

(b) Must be issued and accounted for as is provided by law with respect to other county licenses.

(c) Are not transferable by the licensee to any other person.

[23:429:1955]--(NRS A 1959, 440; 1960, 318; 1971, 670; 1979, 737)

#### 463.240 State license prerequisite to county or municipal license.

No county, incorporated city or town, or unincorporated town may grant a license for gaming to any applicant unless the applicant holds a valid state gaming license issued by the commission; but the issuance by the commission of the state license imposes no requirements upon any such county, city or town to issue a gambling license to the applicant.

[24:429:1955]--(NRS A 1983, 141)

#### 463.242 Preparation by board of basic form of application and supporting documents for licensing by county and city.

1. The board shall investigate the information required by each county and city which licenses gaming, and shall prepare a basic form of application and supporting documents which must include:

(a) A statement concerning the applicant's personal history;

(b) A questionnaire concerning the amount and sources of the capital to be invested in the establishment, and his personal financial statement; and

(c) Any other information which the board finds is required by all or a majority of these counties and cities or the state.

In preparing these basic forms the board shall consider the form which it requires of applicants for a state gaming license, and to the greatest extent possible shall so design the forms for local use that a copy or partial copy of the state's form supplies the information required.

2. Each county and city which licenses gaming shall use the basic documents whose form is prescribed by the board, and may require only such additional information as is not contained in those documents. Each county and city is responsible for reproducing blank forms as required.

(Added to NRS by 1981, 693)

#### 463.245 Single establishment not to contain more than one licensed operation; exceptions.

1. Except as otherwise provided in subsection 3, all licenses issued to the same person, including a wholly owned subsidiary of that person, for the operation of any game, including a sports pool or race book, which authorize gaming at the same establishment must be merged into a single gaming license. A gaming license

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

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

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

4. Nothing in this section limits or prohibits an operator of an inter-casino linked system from placing such a system on the premises of two or more gaming licensees and receiving, either directly or indirectly, any compensation or any percentage or share of the money or property played from the linked games. An inter-casino linked system must not be used to link games other than slot machines, unless such games are located at an establishment that is licensed for games other than slot machines.

(Added to NRS by 1981, 374; A 1985, 2138; 1989, 1096; 1991, 378; 1995, 759)

#### 463.250 Taxing powers preserved.

Nothing contained in this chapter shall be deemed to affect the powers conferred by the provisions of the charter or organic law of any county or incorporated city in the State of Nevada to fix, impose and collect a license tax, and in all such counties or incorporated cities having such powers the sheriff shall not issue any such license for the operation of any such slot machine, game or device within the boundaries of such county or incorporated city until the applicant shall have first exhibited to him a valid and subsisting license obtained from such county or incorporated city, located within his county, permitting the operation of such slot machine, game or device at the location applied for within the boundaries of such county or incorporated city.

[25:429:1955]--(NRS A 1959, 441)

#### 463.260 Posting and inspection of licenses.

1. A license issued pursuant to the provisions of this chapter must be posted by the licensee and kept posted at all times in a conspicuous place in the area where gaming is conducted in the establishment for which the license is issued until it is replaced by a succeeding license.

2. All licenses may be inspected by authorized state, county, city and town officials.

[26:429:1955]--(NRS A 1959, 441; 1987, 187; 1991, 926)

#### 463.270 Renewal of state license; voluntary surrender of state license; penalties.

1. Subject to the power of the commission to deny, revoke, suspend, condition or limit licenses, any state license in force may be renewed by the commission for the next succeeding license period upon proper application for renewal and payment of state license fees and taxes as required by law and the regulations of the commission.

2. All state gaming licenses are subject to renewal on the 1st day of each January and all quarterly state gaming licenses on the 1st day of each calendar quarter thereafter.

3. Application for renewal must be filed with the commission and all state license fees and taxes required by law, including without limitation NRS 463.370, 463.373 to 463.3855, inclusive, 463.401, 463.660, 464.015 and 464.040, must be paid to the commission on or before the dates respectively provided by law for each fee or tax.

4. Application for renewal of licenses for slot machines only must be made by the operators of the locations where such machines are situated.

5. Any person failing to pay any state license fees or taxes due at the times respectively provided shall pay in addition to such license fees or taxes a penalty of not less than \$50 or 25 percent of the amount due, whichever is the greater, but not more than \$1,000 if the fees or taxes are less than 10 days late and in no case in excess of \$5,000. The penalty must be collected as are other charges, license fees and penalties under this chapter.

6. Any person who operates, carries on or exposes for play any gambling game, gaming device or slot machine or who manufactures, sells or distributes any gaming device, equipment, material or machine used in gaming, after his license becomes subject to renewal, and thereafter fails to apply for renewal as

provided in this section, is guilty of a misdemeanor and, in addition to the penalties provided by law, is liable to the State of Nevada for all license fees, taxes and penalties which would have been due upon application for renewal.

7. If any licensee or other person fails to renew his license as provided in this section the commission may order the immediate closure of all his gaming activity until the license is renewed by the payment of the necessary fees, taxes, interest and any penalties. Except for a license for which fees are based on the gross revenue of the licensee, failure to renew a license within 30 days after the date required by this chapter shall be deemed a surrender of the license.

8. The voluntary surrender of a license by a licensee does not become effective until accepted in the manner provided in the regulations of the commission. The surrender of a license does not relieve the former licensee of any penalties, fines, fees, taxes or interest due.

[27:429:1955]--(NRS A 1959, 441; 1961, 366; 1965, 950, 1033; 1967, 673, 819, 884, 1251; 1969, 187; 1975, 679; 1977, 1405; 1981, 1083; 1983, 214, 1333; 1985, 2138; 1989, 853; 1993, 311)

#### 463.280Renewal of county license.

Subject to the power of the commission to deny, revoke or suspend, condition or limit licenses, any county license in force on the expiration date thereof may be replaced by a new license issued by the sheriff if there is no county license department or by that department upon proper application and payment of county license fees as required by law, ordinance or regulation.

[28:429:1955]--(NRS A 1959, 442; 1979, 738)

#### 463.290Report furnished by licensee.

Every licensee shall at all times maintain on file with the commission a current report, verified by the affidavit of the person or an officer of a corporation to whom the license is issued, which sets forth such information as may be required by the regulations of the commission.

[29:429:1955]--(NRS A 1959, 442; 1993, 186)

#### 463.300Unlawful transfer of ownership.

It is unlawful for any person to sell, purchase, lease, hypothecate, borrow or loan money, or create a voting trust agreement or any other agreement of any sort to or with any licensee in connection with any gaming operation licensed under this chapter or with respect to any portion of such gaming operation, except in accordance with the regulations of the commission.

[30:429:1955]--(NRS A 1959, 442)

#### 463.305Operation and maintenance of gaming device: Approval of board.

1. Any person who operates or maintains in this state any gaming device of a specific model, or which includes a significant modification, which the board has not approved for testing or for operation, is subject to disciplinary action by the board or commission.

2. The board shall maintain a list of approved gaming devices.

3. The commission shall adopt regulations relating to gaming devices and their significant modification.

(Added to NRS by 1981, 1072)

#### 463.307Permissible wagering instrumentalities.

All wagering must be conducted with chips, tokens, wagering instruments or other instrumentalities approved by the board, or with wagering credits or the legal tender of the United States.

(Added to NRS by 1981, 1073; A 1985, 2139; 1995, 1498)

#### 463.310Investigations; disciplinary proceedings; duties of board and commission; powers of commission.

1. The board shall make appropriate investigations:

(a) To determine whether there has been any violation of this chapter or chapter 462, 464, 465 or 466 of NRS or any regulations adopted thereunder.

(b) To determine any facts, conditions, practices or matters which it may deem necessary or proper to aid in

the enforcement of any such law or regulation.

(c) To aid in adopting regulations.

(d) To secure information as a basis for recommending legislation relating to this chapter or chapter 462, 464, 465 or 466 of NRS.

(e) As directed by the commission.

2. If, after any investigation the board is satisfied that a license, registration, finding of suitability, pari-mutuel license or prior approval by the commission of any transaction for which the approval was required or permitted under the provisions of this chapter or chapter 462, 464 or 466 of NRS should be limited, conditioned, suspended or revoked, it shall initiate a hearing before the commission by filing a complaint with the commission in accordance with NRS 463.312 and transmit therewith a summary of evidence in its possession bearing on the matter and the transcript of testimony at any investigative hearing conducted by or on behalf of the board.

3. Upon receipt of the complaint of the board, the commission shall review it and all matter presented in support thereof, and shall conduct further proceedings in accordance with NRS 463.3125 to 463.3145, inclusive.

4. After the provisions of subsections 1, 2 and 3 have been complied with, the commission may:

(a) Limit, condition, suspend or revoke the license of any licensed gaming establishment or the individual license of any licensee without affecting the license of the establishment;

(b) Limit, condition, suspend or revoke any registration, finding of suitability, pari-mutuel license, or prior approval given or granted to any applicant by the commission;

(c) Order a licensed gaming establishment to keep an individual licensee from the premises of the licensed gaming establishment or not to pay the licensee any remuneration for services or any profits, income or accruals on his investment in the licensed gaming establishment; and

(d) Fine each person or entity or both, who was licensed, registered or found suitable pursuant to this chapter or chapter 464 of NRS or who previously obtained approval for any act or transaction for which commission approval was required or permitted under the provisions of this chapter or chapter 464 of NRS:

(1) Not less than \$25,000 nor more than \$250,000 for each separate violation of any regulation adopted pursuant to NRS 463.125 which is the subject of an initial or subsequent complaint; or

(2) Except as otherwise provided in subparagraph (1) of this paragraph, not more than \$100,000 for each separate violation of the provisions of this chapter or chapter 464 or 465 of NRS or of the regulations of the commission which is the subject of an initial complaint and not more than \$250,000 for each separate violation of the provisions of this chapter or chapter 464 or 465 of NRS or of the regulations of the commission which is the subject of any subsequent complaint.

All fines must be paid to the state treasurer for deposit in the state general fund.

5. For the second violation of any provision of chapter 465 of NRS by any licensed gaming establishment or individual licensee, the commission shall revoke the license of the establishment or person.

6. If the commission limits, conditions, suspends or revokes any license or imposes a fine, or limits, conditions, suspends or revokes any registration, finding of suitability, pari-mutuel license or prior approval, it shall issue its written order therefor after causing to be prepared and filed its written decision upon which the order is based.

7. Any such limitation, condition, revocation, suspension or fine so made is effective until reversed upon judicial review, except that the commission may stay its order pending a rehearing or judicial review upon such terms and conditions as it deems proper.

8. Judicial review of any such order or decision of the commission may be had in accordance with NRS 463.315 to 463.318, inclusive.

[31:429:1955]--(NRS A 1959, 442; 1967, 1031; 1969, 464; 1971, 565; 1973, 1269; 1975, 680; 1977, 1432; 1983, 998, 1553; 1985, 1299, 1724; 1991, 2266; 1993, 2121; 1995, 428)

#### 463.311 Emergency order of commission.

The commission may issue an emergency order for suspension, limitation or conditioning of a license, registration, finding of suitability, pari-mutuel license or prior approval, or may issue an emergency order requiring a licensed gaming establishment to keep an individual licensee from the premises of the licensed gaming establishment or not to pay such licensee any remuneration for services or any profits, income or accruals on his investment in the licensed gaming establishment in the following manner:

1. An emergency order may be issued only when the commission believes that:

- (a) There has been a violation of subsection 2 of NRS 463.360 or NRS 465.083;
  - (b) Such action is necessary to prevent a violation of NRS 465.083;
  - (c) There has been a violation of subsection 1 of NRS 463.160; or
  - (d) Such action is necessary for the immediate preservation of the public peace, health, safety, morals, good order or general welfare.
2. The emergency order must set forth the grounds upon which it is issued, including a statement of facts constituting the alleged emergency necessitating such action.
  3. An emergency order may be issued only with the approval of and upon signature by not less than three members of the commission.
  4. The emergency order is effective immediately upon issuance and service upon the licensee or resident agent of the licensee or, in cases involving registrations, findings of suitability, pari-mutuel licenses or any prior approval, upon issuance and service upon the person or entity involved or resident agent of the entity involved. The emergency order may suspend, limit, condition or take other action in relation to the license of one or more persons in an operation without affecting other individual licensees or the licensed gaming establishment. The emergency order remains effective until further order of the commission or final disposition of the case.
  5. Within 5 days after issuance of an emergency order, the commission shall cause a complaint to be filed and served upon the person or entity involved in accordance with the provisions of NRS 463.312.
  6. Thereafter, the person or entity against whom the emergency order has been issued and served is entitled to a hearing before the commission in accordance with NRS 463.312 to 463.3145, inclusive, and to judicial review of the decision and order of the commission thereon in accordance with NRS 463.315 to 463.318, inclusive.
- (Added to NRS by 1983, 1568)

#### 463.312 Disciplinary action: Complaint; answer; failure to answer or appear; notice of hearing.

1. The complaint referred to in NRS 463.310 and 464.080 must be a written statement of charges which must set forth in ordinary and concise language the acts or omissions with which the respondent is charged. It must specify the statutes and regulations which the respondent is alleged to have violated, but must not consist merely of charges raised in the language of the statutes or regulations.
  2. Upon the filing of the complaint, the commission shall serve a copy of the complaint upon the respondent either personally, or by registered or certified mail at his address on file with the commission.
  3. Except as provided in subsection 4, the respondent must answer within 20 days after the service of the complaint. In his answer the respondent:
    - (a) Must state in short and plain terms his defenses to each claim asserted.
    - (b) Must admit or deny the facts alleged in the complaint.
    - (c) Must state which allegations he is without knowledge or information to form a belief as to their truth. Such allegations shall be deemed denied.
    - (d) Must affirmatively set forth any matter which constitutes an avoidance or affirmative defense.
    - (e) May demand a hearing. Failure to demand a hearing constitutes a waiver of the right to a hearing and to judicial review of any decision or order of the commission, but the commission may order a hearing even if the respondent so waives his right.
  4. Failure to answer or to appear at the hearing constitutes an admission by the respondent of all facts alleged in the complaint. The commission may take action based on such an admission and on other evidence without further notice to the respondent. If the commission takes action based on such an admission, it shall include in the record which evidence was the basis for the action.
  5. The commission shall determine the time and place of the hearing as soon as is reasonably practical after receiving the respondent's answer. The commission shall deliver or send by registered or certified mail a notice of hearing to all parties at least 10 days before the hearing.
- (Added to NRS by 1959, 443; A 1960, 299; 1967, 1032, 1283; 1969, 95; 1975, 681; 1979, 777; 1983, 1555)

#### 463.3125 Hearing: Subpoena; payment of fees, subsistence and transportation for witness; deposition.

1. Before a hearing before the commission, and during a hearing upon reasonable cause shown, the commission shall issue subpoenas and subpoenas duces tecum at the request of a party. All witnesses appearing pursuant to subpoena, other than parties, officers or employees of the State of Nevada or any

political subdivision thereof, are entitled to receive fees and mileage in the same amounts and under the same circumstances as provided by law for witnesses in civil actions in the district courts. Witnesses entitled to fees or mileage who attend hearings at points so far removed from their residences as to prohibit return thereto from day to day are entitled, in addition to witness fees and in lieu of mileage, to the per diem compensation for subsistence and transportation authorized for state officers and employees for each day of actual attendance and for each day necessarily occupied in traveling to and from the hearings. Fees, subsistence and transportation expenses must be paid by the party at whose request the witness is subpoenaed. The commission may award as costs the amount of all such expenses to the prevailing party.

2. The testimony of any material witness residing within or without the State of Nevada may be taken by deposition in the manner provided by the Nevada Rules of Civil Procedure.

(Added to NRS by 1983, 1569; A 1985, 426)

#### 463.313 Hearings: Procedure; use of affidavit.

1. At all hearings before the commission other than investigative hearings:
  - (a) Oral evidence may be taken only upon oath or affirmation administered by the commission.
  - (b) Every party has the right to:
    - (1) Call and examine witnesses;
    - (2) Introduce exhibits relevant to the issues of the case, including the transcript of testimony at any investigative hearing conducted by or on behalf of the board or the commission;
    - (3) Cross-examine opposing witnesses on any matters relevant to the issues of the case, even though the matter was not covered in a direct examination;
    - (4) Impeach any witness regardless of which party first called him to testify; and
    - (5) Offer rebuttal evidence.
  - (c) If the respondent does not testify in his own behalf, he may be called and examined as if under cross-examination.
  - (d) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted and is sufficient in itself to support a finding if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in a civil action.
  - (e) The parties or their counsel may by written stipulation agree that certain specified evidence may be admitted even though such evidence might otherwise be subject to objection.
2. The commission may take official notice of any generally accepted information or technical or scientific matter within the field of gaming, and of any other fact which may be judicially noticed by the courts of this state. The parties must be informed of any information, matters or facts so noticed, and must be given a reasonable opportunity, on request, to refute such information, matters or facts by evidence or by written or oral presentation of authorities, the manner of such refutation to be determined by the commission.
3. Affidavits may be received in evidence at any hearing of the commission in accordance with the following:
  - (a) The party wishing to use an affidavit must, not less than 10 days before the day set for hearing, serve upon the opposing party or counsel, either personally or by registered or certified mail, a copy of the affidavit which he proposes to introduce in evidence together with a notice as provided in paragraph (c).
  - (b) Unless the opposing party, within 7 days after such service, mails or delivers to the proponent a request to cross-examine the affiant, his right to cross-examine the affiant is waived and the affidavit, if introduced in evidence, must be given the same effect as if the affiant had testified orally. If an opportunity to cross-examine an affiant is not afforded after request therefor is made in accordance with this paragraph, the affidavit may be introduced in evidence, but must be given only the same effect as other hearsay evidence.
  - (c) The notice referred to in paragraph (a) must be substantially in the following form:

The accompanying affidavit of (here insert name of affiant) will be introduced as evidence at the hearing set for the ..... day of ....., 19... (Here insert name of affiant) will not be called to testify orally and you will not be entitled to question him unless you notify the undersigned that you wish to cross-examine him. To be effective your request must be mailed or delivered to the undersigned on or before 7 days from the date this notice and the enclosed affidavit are served upon you.

Party or Counsel)

(Address)  
(Added to NRS by 1983, 1569)

#### 463.3133 Hearings other than investigative hearings: Procedure.

The following procedures apply at all hearings of the commission other than investigative hearings:

1. At least three members of the commission shall be present at every hearing, and they shall exercise all powers relating to the conduct of the hearing and shall enforce all decisions with respect thereto.
2. The proceedings at the hearing must be reported either stenographically or by a phonographic reporter.

(Added to NRS by 1983, 1571)

#### 463.3136 Amended or supplemental pleadings.

The commission may, before submission of the case for decision, permit the filing of amended or supplemental pleadings and shall notify all parties thereof, and provide a reasonable opportunity for objections thereto.

(Added to NRS by 1983, 1571)

#### 463.314 Contempt.

If any person in proceedings before the commission disobeys or resists any lawful order or refuses to respond to a subpoena, or refuses to take the oath or affirmation as a witness or thereafter refuses to be examined, or is guilty of misconduct during the hearing or so near the place thereof as to obstruct the proceeding, the commission may certify the facts to the district court in and for the county where the proceedings are held. The court shall thereupon issue an order directing the person to appear before the court and show cause why he should not be punished as for contempt. The court order and a copy of the statement of the commission must be served on the person cited to appear. Thereafter the court has jurisdiction of the matter, and the same proceedings must be had, the same penalties may be imposed and the person charged may purge himself of the contempt in the same way as in the case of a person who has committed a contempt in the trial of a civil action before a district court.

(Added to NRS by 1983, 1571)

#### 463.3145 Written decision and order of commission; rehearing.

1. After the hearing of a contested matter, the commission shall render a written decision on the merits which must contain findings of fact, a determination of the issues presented and the penalty to be imposed, if any. The commission shall thereafter make and enter its written order in conformity to its decision. No member of the commission who did not hear the evidence may vote on the decision. The affirmative votes of a majority of the whole commission are required to impose any penalty. Copies of the decision and order must be served on the parties personally or sent to them by registered or certified mail. The decision is effective upon such service, unless the commission orders otherwise.
2. The commission may, upon motion made within 10 days after service of a decision and order, order a rehearing before the commission upon such terms and conditions as it may deem just and proper if a petition for judicial review of the decision and order has not been filed. The motion must not be granted except upon a showing that there is additional evidence which is material and necessary and reasonably calculated to change the decision of the commission, and that sufficient reason existed for failure to present the evidence at the hearing of the commission. The motion must be supported by an affidavit of the moving party or his counsel showing with particularity the materiality and necessity of the additional evidence and the reason why it was not introduced at the hearing. Upon rehearing, rebuttal evidence to the additional evidence must be permitted. After rehearing, the commission may modify its decision and order as the additional evidence may warrant.

(Added to NRS by 1983, 1571)

#### 463.315 Judicial review: Petition; intervention; stay of enforcement; priority if supervisor appointed.

1. Any person aggrieved by a final decision or order of the commission made after hearing or rehearing by the commission pursuant to NRS 463.312 to 463.3145, inclusive, and whether or not a petition for rehearing was filed, may obtain a judicial review thereof in the district court of the county in which the

petitioner resides or has his or its principal place of business.

2. The judicial review must be instituted by filing a petition within 20 days after the effective date of the final decision or order. A petition may not be filed while a petition for rehearing or a rehearing is pending before the commission. The petition must set forth the order or decision appealed from and the grounds or reasons why petitioner contends a reversal or modification should be ordered.

3. Copies of the petition must be served upon the commission and all other parties of record, or their counsel of record, either personally or by certified mail.

4. The court, upon a proper showing, may permit other interested persons to intervene as parties to the appeal or as friends of the court.

5. The filing of the petition does not stay enforcement of the decision or order of the commission, but the commission itself may grant a stay upon such terms and conditions as it deems proper.

6. If judicial review is sought in any case in which a supervisor has been appointed pursuant to NRS 463B.010 to 463B.280, inclusive, the district court shall give priority to that review over other civil actions. (Added to NRS by 1959, 448; A 1979, 809; 1983, 1561)

#### 463.316 Judicial review: Record on review.

1. Upon written request of petitioner and upon payment of such reasonable costs and fees as the commission may prescribe, the complete record on review, or such parts thereof as are designated by the petitioner, must be prepared by the commission.

2. The complete record on review must include copies of:

- (a) All pleadings in the case;
- (b) All notices and interim orders issued by the commission in connection with the case;
- (c) All stipulations;
- (d) The decision and order appealed from;
- (e) A transcript of all testimony, evidence and proceedings at the hearing;
- (f) The exhibits admitted or rejected; and
- (g) Any other papers in the case.

The original of any document may be used in lieu of a copy thereof. The record on review may be shortened by stipulation of all parties to the review proceedings.

3. The record on review must be filed with the reviewing court within 30 days after service of the petition for review, but the court may allow the commission additional time to prepare and transmit the record on review.

(Added to NRS by 1983, 1572)

#### 463.317 Judicial review: Additional evidence taken by commission; review confined to record; court may affirm, remand or reverse.

1. The reviewing court may, upon motion therefor, order that additional evidence in the case be taken by the commission upon such terms and conditions as the court deems just and proper. The motion must not be granted except upon a showing that the additional evidence is material and necessary and that sufficient reason existed for failure to present the evidence at the hearing of the commission. The motion must be supported by an affidavit of the moving party or his counsel showing with particularity the materiality and necessity of the additional evidence and the reason why it was not introduced in the administrative hearing. Rebuttal evidence to the additional evidence must be permitted. In cases in which additional evidence is presented to the commission, the commission may modify its decisions and orders as the additional evidence may warrant and shall file with the reviewing court a transcript of the additional evidence together with any modifications of the decision and order, all of which become a part of the record on review.

2. The review must be conducted by the court sitting without a jury, and must not be a trial de novo but is confined to the record on review. The filing of briefs and oral argument must be made in accordance with the rules governing appeals in civil cases unless the local rules of practice adopted in the judicial district provide a different procedure.

3. The reviewing court may affirm the decision and order of the commission, or it may remand the case for further proceedings or reverse the decision if the substantial rights of the petitioner have been prejudiced because the decision is:

- (a) In violation of constitutional provisions;
- (b) In excess of the statutory authority or jurisdiction of the commission;

- (c) Made upon unlawful procedure;
  - (d) Unsupported by any evidence; or
  - (e) Arbitrary or capricious or otherwise not in accordance with law.
- (Added to NRS by 1983, 1572; A 1991, 2145)

463.318 Judicial review: Appeal to supreme court; exclusive method of review for disciplinary hearings; certain actions not subject to judicial review.

1. Any party aggrieved by the final decision in the district court after a review of the decision and order of the commission may appeal to the supreme court in the manner and within the time provided by law for appeals in civil cases. The supreme court shall follow the same procedure thereafter as in appeals in civil actions, and may affirm, reverse or modify the decision as the record and law warrant.
  2. The judicial review by the district and supreme courts afforded in this chapter is the exclusive method of review of the commission's actions, decisions and orders in disciplinary hearings held pursuant to NRS 463.310 to 463.3145, inclusive. Judicial review is not available for actions, decisions and orders of the commission relating to the denial of a license or to limited or conditional licenses. Extraordinary common law writs or equitable proceedings are available except where statutory judicial review is made exclusive or is precluded, or the use of those writs or proceedings is precluded by specific statute.
- (Added to NRS by 1983, 1573; A 1985, 2139)

## MISCELLANEOUS PROVISIONS

463.320 Collection and disposition of state fees for licenses and penalties.

1. All gaming license fees imposed by the provisions of NRS 463.370, 463.373 to 463.383, inclusive, and 463.3855 must be collected and disposed of as provided in this section.
  2. All state gaming license fees and penalties must be collected by the commission and paid over immediately to the state treasurer to be disposed of as follows:
    - (a) All state gaming license fees and penalties other than the license fees imposed by the provisions of NRS 463.380 must be deposited for credit to the state general fund.
    - (b) All state gaming license fees imposed by the provisions of NRS 463.380 must, after deduction of costs of administration and collection, be divided equally among the various counties and transmitted to the respective county treasurers. Such fees, except as otherwise provided in this section, must be deposited by the county treasurer in the county general fund and be expended for county purposes. If the board of county commissioners desires to apportion and allocate all or a portion of such fees to one or more cities or towns within the county, the board of county commissioners shall, annually, before the preparation of the city or town budget or budgets as required by chapter 354 of NRS, adopt a resolution so apportioning and allocating a percentage of such fees anticipated to be received during the coming fiscal year to such city or cities or town or towns for the next fiscal year commencing July 1. After the adoption of the resolution the percentage so apportioned and allocated must be converted to a dollar figure and included in city or town budget or budgets as an estimated receipt for the next fiscal year. Quarterly upon receipt of the money from the state, the county treasurer shall deposit an amount of money equal to the percentage so apportioned and allocated to the credit of the city or town fund to be used for city or town purposes, and the balance remaining must be deposited in the county general fund and must be expended for county purposes.
- [32:429:1955]--(NRS A 1957, 784; 1959, 450, 762; 1960, 330; 1963, 521; 1965, 747; 1967, 820, 885; 1969, 642; 1979, 738, 1403; 1983, 141, 1335)

463.323 Collection and disposition of county fees for licenses.

1. The county license department, or the sheriff if there is no county license department, shall collect all county license fees, and no license money paid to the sheriff or county license department may be refunded, whether the slot machine, game or device for which the license was issued has voluntarily ceased or its license has been revoked or suspended, or for any other reason. The sheriff in his county or the county license department shall demand that all persons required to procure county licenses in accordance with this chapter take out and pay for the licenses, and the sheriff if there is no county license department is liable on his official bond for all money due for the licenses remaining uncollected by reason of his negligence.

2. On or before the 5th day of each month the sheriff of a county which has no county license department shall pay over to the county treasurer all money received by him for licenses and take from the county treasurer a receipt therefor, and he shall immediately on the same day return to the county auditor all licenses not issued or disposed of by him as is provided by law with respect to other county licenses.
  3. In a county which has a county license department, all money received for county gaming licenses must be paid over to the county treasurer at the time and in the manner prescribed by county ordinance.
  4. All money received for county gaming licenses under this chapter must be retained by the county treasurer for credit to the county general fund, except:
    - (a) Where the license is collected within the boundaries of any incorporated city, the county shall retain 25 percent of the money, and the incorporated city is entitled to 75 percent of the money, which must be paid into the general fund of the incorporated city.
    - (b) Where the license is collected within the boundaries of any unincorporated town under the control of the board of county commissioners pursuant to chapter 269 of NRS, the county shall retain 25 percent of the money, and 75 percent of the money must be placed in the town government fund for general use and benefit of the unincorporated town.
- (Added to NRS by 1979, 1406; A 1983, 141; 1987, 1723)

#### 463.330 Costs of administration; state gaming control board revolving account; limitations on expenditures.

1. Costs of administration of this chapter incurred by the commission and the 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 it, there is hereby created the state gaming control board revolving account. Upon the written request of the chairman of the board, the state controller shall draw his warrant in favor of the chairman in the amount of \$10,000, and upon presentation of the warrant to the state treasurer, he shall pay it. When the warrant is paid, the chairman shall deposit the \$10,000 in a bank of reputable standing, which bank shall secure the deposit with a depository bond satisfactory to the state board of examiners.
  3. The chairman 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 chairman is not limited or bound by the provisions of NRS 281.160.
  4. After the expenditure of money from the revolving account, the chairman of the board shall present a claim to the state board of examiners for the amount of the expenditure to be replaced in the revolving account. The claim must be audited, allowed and paid as are other claims against the state, but the claim must not detail the investigation made as to the agent or employee making the investigation or the person or persons investigated. If the state board of examiners is not satisfied with the claim, the members thereof may orally examine the chairman concerning the claim.
  5. Expenditures from the revolving account may not exceed the amount authorized by the legislature in any 1 fiscal year.
- [33:429:1955]--(NRS A 1959, 451; 1960, 304; 1961, 663; 1963, 691; 1969, 235, 736; 1977, 4; 1979, 782; 1983, 1530)

#### 463.331 Investigative fund.

1. An investigative fund is hereby created as a special revenue fund for the purposes of paying all expenses incurred by the board and the commission for investigation of an application for a license, finding of suitability or approval under the provisions of this chapter. The special revenue of the investigative fund is the money received by the state from the respective applicants. The amount to be paid by each applicant is the amount determined by the board in each case, but the board may not charge any amount to an applicant for a finding of suitability to be associated with a gaming enterprise pursuant to paragraph (a) of subsection 2 of NRS 463.167.

2. Expenses may be advanced from the investigative fund by the chairman, and expenditures from the fund may be made without regard to NRS 281.160. Any money received from the applicant in excess of the costs and charges incurred in the investigation or the processing of the application must be refunded pursuant to regulations adopted by the board and the commission. At the conclusion of the investigation, the board shall give to the applicant a written accounting of the costs and charges so incurred.

3. Within 3 months after the end of a fiscal year, the amount of the balance in the fund in excess of \$2,000 must be deposited in the state general fund.

(Added to NRS by 1971, 834; A 1977, 1434; 1983, 243, 1531)

463.332 Account for investigating cash transactions of gaming licensees: Creation; use; claims.

1. The account for investigating cash transactions of gaming licensees is hereby created in the investigative fund. The account is a continuing account and its money does not revert to the state general fund at any time.

2. The money in the account must be used by the board to conduct undercover investigations related to alleged or suspected violations of regulations concerning cash transactions of gaming licensees.

3. Claims against the account which are approved by the board must be paid as other claims against the state are paid.

(Added to NRS by 1989, 567; A 1991, 1775)

463.335 Work permit required for gaming employee or independent agent; exceptions; application; hearing and review; appointment of hearing examiner; confidential records; expiration.

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

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

(b) Maintain confidential records of such information.

2. A person may not be employed as a gaming employee or serve as an independent agent unless he is the holder of:

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

(b) A work permit issued by the board, if a work permit is not required by either the county or the city, except that an independent agent is not required to hold a work permit if he is not a resident of this state and has registered with the board in accordance with the provisions of the regulations adopted by the commission.

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

4. Whenever any person applies for the issuance or renewal of a work permit, the county or city officer or employee to whom the application is made shall within 24 hours mail or deliver a copy thereof to the board, and may at the discretion of the county or city licensing authority issue a temporary work permit. If within 90 days after receipt by the board of the copy of the application, the board has not notified the county or city licensing authority of any objection, the authority may issue, renew or deny a work permit to the applicant. A gaming employee who is issued a work permit must obtain renewal of the permit from the issuing agency within 10 days following any change of his place of employment. An independent agent who is issued a work permit must obtain renewal of the permit from the issuing agency within 10 days after executing an agreement to serve as an independent agent within the jurisdiction of the issuing agency.

5. If the board, within the 90-day period, notifies:

(a) The county or city licensing authority; and

(b) The applicant,

that the board objects to the granting of a work permit to the applicant, the authority shall deny the work permit and shall immediately revoke and repossess any temporary work permit which it may have issued. The notice of objection by the board which is sent to the applicant must include a statement of the facts upon which the board relied in making its objection.

6. Application for a work permit, valid wherever a work permit is not required by any county or city

licensing authority, may be made to the board, and may be granted or denied for any cause deemed reasonable by the board. Whenever the board denies such an application, it shall include in its notice of the denial a statement of the facts upon which it relied in denying the application.

7. Any person whose application for a work permit has been denied because of an objection by the board or whose application has been denied by the board may, not later than 60 days after receiving notice of the denial or objection, apply to the board for a hearing. A failure of a person whose application has been denied to apply for a hearing within 60 days or his failure to appear at a hearing of the board conducted pursuant to this section shall be deemed to be an admission that the denial or objection is well founded, and the failure precludes administrative or judicial review. At the hearing, the board shall take any testimony deemed necessary. After the hearing the board shall review the testimony taken and any other evidence, and shall within 45 days after the date of the hearing mail to the applicant its decision sustaining or reversing the denial of the work permit or the objection to the issuance of a work permit.

8. The board may object to the issuance of a work permit or may refuse to issue a work permit for any cause deemed reasonable by the board. The board may object or refuse if the applicant has:

(a) Failed to disclose or misstated information or otherwise attempted to mislead the board with respect to any material fact contained in the application for the issuance or renewal of a work permit;

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

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

(d) Committed, attempted or conspired to commit a crime which is a felony or gross misdemeanor in this state or an offense in another state or jurisdiction which would be a felony or gross misdemeanor if committed in this state;

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

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

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

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

9. 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.

10. Except as otherwise provided in this subsection, all records acquired or compiled by the board or commission relating to any application made pursuant to this section and all lists of persons to whom work permits have been issued or denied and all records of the names or identity of persons engaged in the gaming industry in this state are confidential and must not be disclosed except in the proper administration of this chapter or to an authorized law enforcement agency. Upon receipt of a request from the welfare division of the department of human resources pursuant to NRS 425.400 for information relating to a specific person who has applied for or holds a work permit, the board shall disclose to the division his social security number, residential address and current employer as that information is listed in the files and records of the board. Any record of the board or commission which shows that the applicant has been convicted of a crime in another state must show whether the crime was a misdemeanor, gross misdemeanor, felony or other class of crime as classified by the state in which the crime was committed. In a disclosure of the conviction, reference to the classification of the crime must be based on the classification in the state where it was committed.

11. A work permit expires unless renewed in accordance with subsection 4, or if the holder thereof is not employed as a gaming employee or does not serve as an independent agent within the jurisdiction of the issuing authority for more than 90 days.

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

- (a) Conducting a hearing and taking testimony;
- (b) Reviewing the testimony and evidence presented at the hearing;
- (c) Making a recommendation to the board based upon the testimony and evidence or rendering a decision on behalf of the board to sustain or reverse the denial of a work permit or the objection to the issuance or renewal of a work permit; and
- (d) Notifying the applicant of the decision.

13. Notice by the board as provided pursuant to this section is sufficient if it is mailed to the applicant's last known address as indicated on the application for a work permit, or the record of the hearing, as the case may be. The date of mailing may be proven by a certificate signed by an officer or employee of the board which specifies the time the notice was mailed. The notice shall be deemed to have been received by the applicant 5 days after it is deposited with the United States Postal Service with the postage thereon prepaid. (Added to NRS by 1965, 758; A 1975, 686; 1977, 1434; 1979, 783; 1981, 548, 1084; 1983, 1563; 1989, 494; 1991, 589, 926, 1840, 1931; 1993, 577, 580, 649, 652; 1995, 208)

463.336 Issuance of order summarily suspending work permit of gaming employee; hearing; notice of defense.

1. The commission may issue an order summarily suspending a person's work permit upon a finding that the suspension is necessary for the immediate preservation of the public peace, health, safety, morals, good order or general welfare. The order becomes effective when served upon the holder of the permit.

2. The order of summary suspension must state the facts upon which the finding of necessity for the suspension is based. For purposes of this section, the order of summary suspension shall be deemed a complaint.

3. An order of summary suspension must be signed by at least three members of the commission.

4. The person whose work permit is summarily suspended:

(a) Has a right to a hearing on the order. The commission shall schedule a hearing within 5 days after receipt of the person's notice of defense.

(b) Must file a notice of defense within 30 days after the effective date of the order of summary suspension. Failure to file this notice in a timely manner waives his right to a hearing before the commission and to judicial review of the final decision.

5. All affirmative defenses must be specifically stated in the notice of defense and unless an objection is stated to the form or manner of the order, all objections to the form of the complaint shall be deemed waived.

6. Except as otherwise provided in this section, the procedures for a disciplinary action in NRS 463.312 to 463.3145, inclusive, must be followed.

(Added to NRS by 1981, 1072; A 1983, 1565; 1989, 497)

463.337 Revocation of work permit of gaming employee or independent agent: Grounds; power of commission; judicial review.

1. If any gaming employee or independent agent is convicted of any violation of this chapter or chapter 463B, 464 or 465 of NRS, or if in investigating an alleged violation of this chapter by any licensee the commission finds that a gaming employee employed by or an independent agent contracting with the licensee has been guilty of cheating, the commission shall after a hearing as provided in NRS 463.310 and 463.312 to 463.3145, inclusive:

(a) If the gaming employee or independent agent holds a work permit issued by the board, revoke it.

(b) If the gaming employee or independent agent holds a work permit issued by a county or city licensing authority, notify the authority to revoke it, and the county or city licensing authority shall revoke it.

2. The commission may revoke a work permit issued by the board or, if issued by a county or city licensing authority, notify the authority to revoke it, if the commission finds after a hearing as provided in NRS 463.310 and 463.312 to 463.3145, inclusive, that the gaming employee or independent agent has failed to disclose, misstated or otherwise misled the board in respect to any fact contained within any application for a work permit or, subsequent to being issued a work permit:

(a) Committed, attempted or conspired to do any of the acts prohibited by this chapter or chapter 463B, 464

or 465 of NRS;

- (b) Knowingly possessed or permitted to remain in or upon any licensed premises any cards, dice, mechanical device or any other cheating device whatever, the use of which is prohibited by statute or ordinance;
- (c) Concealed or refused to disclose any material fact in any investigation by the board;
- (d) Committed, attempted or conspired to commit larceny or embezzlement against a gaming licensee or upon the premises of a licensed gaming establishment;
- (e) Been convicted in any jurisdiction other than Nevada of any offense involving or relating to gambling;
- (f) Accepted employment without prior commission approval in a position for which he could be required to be licensed under this chapter after having been denied a license for a reason involving personal unsuitability or after failing to apply for licensing when requested to do so by the commission;
- (g) Been refused the issuance of any license, permit or approval to engage in or be involved with gaming or pari-mutuel wagering in any jurisdiction other than Nevada, or had any such license, permit or approval revoked or suspended;
- (h) Been prohibited under color of governmental authority from being present upon the premises of any gaming establishment or any establishment where pari- mutuel wagering is conducted for any reason relating to improper gambling activities or any illegal act;
- (i) Contumaciously defied any legislative investigative committee or other officially constituted bodies acting on behalf of the United States or any state, county or municipality which seeks to investigate crimes relating to gaming, corruption of public officials, or any organized criminal activities; or
- (j) Been convicted of any felony or gross misdemeanor, other than one constituting a violation of this chapter or chapter 463B, 464 or 465 of NRS.

3. A work permit must not be issued by any authority in this state to a person whose work permit has previously been revoked pursuant to this section, or to whom the issuance or renewal of a work permit has been denied, except with the unanimous approval of the commission members.

4. A gaming employee or independent agent whose work permit has been revoked pursuant to this section is entitled to judicial review of the commission's action in the manner prescribed by NRS 463.315 to 463.318, inclusive.

5. Nothing in this section limits or prohibits the enforcement of NRS 463.165, 463.560, 463.595, 463.637 or 463.645.

(Added to NRS by 1967, 1042; A 1969, 3, 465; 1973, 659; 1975, 688; 1977, 1437; 1979, 786; 1981, 1086; 1983, 1566; 1991, 1842)

**463.339** Disclosure by applicant for licensing, registration, finding of suitability, work permit or required approval or consent.

An applicant for licensing, registration, finding of suitability, work permit or any approval or consent required by this chapter or chapter 462 of NRS shall make full and true disclosure of all information to the board, commission or other relevant governmental authority as necessary or appropriate in the public interest or as required in order to carry out the policies of this state relating to licensing and control of the gaming industry and the operation of charitable lotteries.

(Added to NRS by 1977, 1418; A 1991, 2267)

**463.3403** Confidentiality of information relating to termination of employment of gaming employee or independent agent.

Any information obtained by the board from any licensee, his employer or agent relating to the termination of the employment of a gaming employee or the services of an independent agent is confidential and must not be disclosed except:

1. Such information obtained from the former employer of an applicant for a work permit must be disclosed to the applicant to the extent necessary to permit him to respond to any objection made by the board to his application for the permit;
2. In the necessary administration of this chapter; or
3. Upon the lawful order of a court of competent jurisdiction.

(Added to NRS by 1981, 1072; A 1991, 1844)

## NEVADA GAMING LAWS AND REGULATIONS, PART II

463.3407 Absolute privilege of certain communications and documents; restrictions on and protections against disclosure.

1. Any communication or document of an applicant or licensee, or an affiliate of either, which is made or transmitted to the board or commission or any of their agents or employees to:

(a) Comply with any law or the regulations of the board or commission;

(b) Comply with a subpoena issued by the board or commission; or

(c) Assist the board or commission in the performance of their respective duties,

is absolutely privileged and does not impose liability for defamation or constitute a ground for recovery in any civil action.

2. If such a document or communication contains any information which is privileged pursuant to chapter 49 of NRS, that privilege is not waived or lost because the document or communication is disclosed to the board or commission or any of its agents or employees.

3. Notwithstanding the provisions of subsection 4 of NRS 463.120:

(a) The board, commission and their agents and employees shall not release or disclose any information, documents or communications provided by an applicant or licensee, or an affiliate of either, which are privileged pursuant to chapter 49 of NRS, without the prior written consent of the applicant, licensee or affiliate, or pursuant to a lawful court order after timely notice of the proceedings has been given to the applicant, licensee or affiliate.

(b) The board and commission shall maintain all privileged information, documents and communications in a secure place accessible only to members of the board and commission and their authorized agents and employees.

(c) The board and commission shall adopt procedures and regulations to protect the privileged nature of information, documents and communications provided by an applicant or licensee, or an affiliate of either.

(Added to NRS by 1981, 1072; A 1987, 1274; 1993, 184; 1995, 1498)

463.341 Order of court for release of confidential information: Procedure.

An application to a court for an order requiring the board or the commission to release any information declared by law to be confidential shall be made only upon motion in writing on 10 days' written notice to the board or commission, the attorney general and all persons who may be affected by the entry of such order. Copies of the motion and all papers filed in support of it shall be served with the notice by delivering a copy in person or by certified mail to the last known address of the person to be served.

(Added to NRS by 1977, 1418)

463.342 Handicapped person entitled to services of interpreter at hearing.

Any person who is the subject of a hearing conducted under the provisions of this chapter, or who is a witness at that hearing, and who is a handicapped person as defined in NRS 50.050, is entitled to the services of an interpreter at public expense, subject to the provisions of NRS 50.052 and 50.053. The interpreter must be appointed by the person who presides at the hearing.

(Added to NRS by 1979, 659)

463.343 Declaratory judgment; limitations on injunctive relief.

1. The board or commission or any applicant, licensee, association of licensees, nonprofit corporation that represents licensees, person found suitable, holding company, intermediary company or publicly traded corporation which is registered with the commission may obtain a judicial determination of any question of construction or validity arising under this chapter, chapter 462 of NRS or any regulation of the commission by bringing an action for a declaratory judgment in the First Judicial District Court of the State of Nevada in and for Carson City, or in the district court of the district in which the plaintiff resides or does business, in accordance with the provisions of chapter 30 of NRS.

2. When an action is brought by a person other than the board or commission, the commission must be made a party to the action and the attorney general must be served with a copy of the complaint and is entitled to appear in the action.

3. Statutes and regulations reviewed pursuant to this section must be construed in a manner consistent with the declared policy of the state.

4. The filing of a complaint for judicial determination under this section does not stay enforcement of any commission or board action. The board or commission may grant a stay upon appropriate terms.

5. In any proceeding brought under this section, the district court shall not grant any injunctive relief or relief based upon any other extraordinary common law writ to:

(a) Any applicant for licensing, finding of suitability or registration;

(b) Any person who has been ordered by the board or commission to submit his application for licensing, finding of suitability or registration;

(c) Any person seeking judicial review of an action of the commission which is subject to the provisions of NRS 463.315 to 463.318, inclusive; or

(d) Any person who is adversely affected by the appointment of a supervisor pursuant to chapter 463B of NRS.

(Added to NRS by 1977, 1417; A 1979, 787; 1981, 1087; 1983, 1567; 1991, 2267; 1993, 186)

#### 463.344 Enforcement of certain security interests against licensees.

1. A security interest in:

(a) A security issued by a corporation, partnership, limited partnership or limited-liability company which is a holder of a gaming license in this state;

(b) A security issued by a holding company that is not a publicly traded corporation; or

(c) A security issued by a holding company that is a publicly traded corporation, if the enforcement of the security interest will result in the creditor acquiring control,

may not be enforced without the prior approval of the commission and compliance with the regulations adopted by the commission pursuant to subsection 2.

2. The commission shall adopt regulations establishing the procedure for the enforcement of such a security interest which are consistent with chapter 104 of NRS. Any remedy provided by the commission in its regulations for the enforcement of such a security interest is in addition to any other remedy provided by law.

(Added to NRS by 1987, 1273; A 1991, 1011; 1993, 2000)

#### 463.345 Early closing dates in certain transfers of gaming property prohibited.

When any person contracts to sell or lease any property or interest in property, real or personal, under circumstances which require the approval or licensing of the purchaser or lessee by the commission, the contract shall not specify a closing date for the transaction which is earlier than the expiration of 90 days after the submission of the completed application for such approval or licensing. Any provision of such a contract which specifies an earlier closing date is void for all purposes, but such invalidity does not affect the validity of any other provision of the contract.

(Added to NRS by 1969, 785)

#### 463.3455 Provision regarding responsibility for fees and taxes required in certain transfers of gaming property or interest.

When any person contracts to sell or lease any property or interest in property, real or personal, under circumstances which require the approval or licensing of the purchaser or lessee by the commission, the contract must contain a provision satisfactory to the commission regarding responsibility for the payment of any fees or taxes due pursuant to any subsequent deficiency determinations made under this chapter which encompass any period of time before the closing date of the transaction.

(Added to NRS by 1983, 593)

#### 463.346 Injunctions.

1. The attorney general, at the direction of the commission, may institute a civil action in any district court of this state against any person subject to this chapter or chapter 462, 464 or 465 of NRS to restrain a violation of this chapter or chapter 462, 464 or 465 of NRS.

2. The district court shall give priority over other civil actions to an action brought pursuant to this section.

3. An action brought against a person pursuant to this section does not preclude a criminal action or

administrative proceeding against that person.  
(Added to NRS by 1977, 1425; A 1991, 2268)

#### 463.3465 Prosecution by attorney general of violations of gaming laws.

1. If a district attorney in whose county a violation of this chapter or of chapter 462, 463B, 464 or 465 of NRS occurs fails to file a complaint or information for that offense or present it to a grand jury, within 15 days after the commission or board so requests in writing, the commission or board may recommend to the attorney general that he file a complaint or information or present the matter to a grand jury, as the facts may warrant, and thereafter proceed as appropriate to complete the prosecution. Upon a written recommendation to prosecute from the commission or board, the attorney general may so file the matter without leave of court and has exclusive charge of the prosecution.

2. If a district attorney declines to prosecute such a violation after receiving a written request to do so from the commission or board, he may respond in writing to the commission or board within the 15-day period specified in subsection 1 and state the reasons why he declines.

(Added to NRS by 1981, 545; A 1991, 2268)

#### 463.347 Penalty for possession of device, equipment or material illegally manufactured, sold or distributed.

Any person who possesses any device, equipment or material which has been manufactured, sold or distributed in violation of NRS 463.650 is guilty of a misdemeanor.

(Added to NRS by 1969, 652)

#### 463.350 Gaming or employment in gaming prohibited for persons under 21.

1. A person under the age of 21 years shall not:

(a) Play, be allowed to play, place wagers at, or collect winnings from, whether personally or through an agent, any gambling game, slot machine, race book, sports pool or pari-mutuel operator.

(b) Loiter, or be permitted to loiter, in or about any room or premises wherein any licensed game, race book, sports pool or pari-mutuel wagering is operated or conducted.

(c) Be employed as a gaming employee except in a counting room.

2. Any licensee, employee, dealer or other person who violates or permits the violation of any of the provisions of this section and any person, under 21 years of age, who violates any of the provisions of this section is guilty of a misdemeanor.

3. In any prosecution or other proceeding for the violation of any of the provisions of this section, it is no excuse for the licensee, employee, dealer or other person to plead that he believed the person to be 21 years old or over.

[35:429:1955]--(NRS A 1979, 788; 1981, 1088; 1985, 2139; 1989, 489; 1991, 652)

#### 463.355 District attorney, sheriff and chief of police to furnish information obtained during investigation or prosecution.

Every district attorney, sheriff and chief of police shall furnish to the board, on forms prepared by the board, all information obtained during the course of any substantial investigation or prosecution of any person if it appears that a violation of any law related to gaming has occurred.

(Added to NRS by 1981, 1073)

#### 463.3557 Electronic transfer of money to game or gaming device by credit card prohibited.

An electronic transfer of money from a financial institution directly to a game or gaming device may not be made with a credit card.

(Added to NRS by 1995, 1496)

#### 463.3558 Approval of debit instrument required.

A debit instrument issued by a licensee must be approved by the board.

(Added to NRS by 1995, 1496)

#### 463.360 Penalties.

1. Conviction by a court of competent jurisdiction of a person for a violation of, an attempt to violate, or a conspiracy to violate any of the provisions of this chapter or of chapter 463B, 464 or 465 of NRS may act as an immediate revocation of all licenses which have been issued to the violator, and, in addition, the court may, upon application of the district attorney of the county or of the commission, order that no new or additional license under this chapter be issued to the violator, or be issued to any person for the room or premises in which the violation occurred, for 1 year after the date of the revocation.
2. A person who willfully fails to report, pay or truthfully account for and pay over any license fee or tax imposed by the provisions of this chapter, or willfully attempts in any manner to evade or defeat any such license fee, tax or payment thereof is guilty of a category C felony and shall be punished as provided in NRS 193.130. In addition to any other penalty, the court shall order the person to pay restitution.
3. Except as otherwise provided in subsection 4, a person who willfully violates, attempts to violate, or conspires to violate any of the provisions of subsection 1 of NRS 463.160 is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 10 years, by a fine of not more than \$50,000, or by both fine and imprisonment.
4. A licensee who puts additional games or slot machines into play or displays additional games or slot machines in a public area without first obtaining all required licenses and approval is subject only to the penalties provided in NRS 463.270 and 463.310 and in any applicable ordinance of the county, city or town.
5. A person who willfully violates any provision of a regulation adopted pursuant to NRS 463.125 is guilty of a category C felony and shall be punished as provided in NRS 193.130.
6. The violation of any of the provisions of this chapter, the penalty for which is not specifically fixed in this chapter, is a gross misdemeanor.  
[36:429:1955]--(NRS A 1959, 452; 1967, 587, 1119; 1979, 1016; 1981, 1088; 1985, 1300; 1995, 1294)

### **RECOVERY OF GAMING DEBTS BY PATRONS**

#### 463.361 Enforceability and resolution of gaming debts.

1. Except as otherwise provided in NRS 463.361 to 463.366, inclusive, gaming debts that are not evidenced by a credit instrument are void and unenforceable and do not give rise to any administrative or civil cause of action.
2. A claim by a patron of a licensee for payment of a gaming debt that is not evidenced by a credit instrument may be resolved in accordance with NRS 463.362 to 463.366, inclusive:
  - (a) By the board; or
  - (b) If the claim is for less than \$500, by a hearing examiner designated by the board.(Added to NRS by 1983, 1846; A 1991, 929)

#### 463.362 Resolution of dispute as to winnings, losses or manner in which game is conducted.

1. Whenever a licensee and a patron have any dispute as to alleged winnings, alleged losses or the manner in which a game is conducted, the licensee and the patron are unable to resolve the dispute to the satisfaction of the patron and the dispute involves:
  - (a) At least \$500, the licensee shall immediately notify the board; or
  - (b) Less than \$500, the licensee shall inform the patron of his right to request that the board conduct an investigation.The board, through an agent, shall conduct whatever investigation it deems necessary and shall determine whether payment should be made.
2. 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 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.
3. Failure of the licensee to notify the board or inform the patron as provided in subsection 1 is grounds for

disciplinary action pursuant to NRS 463.310 to 463.3145, inclusive.

4. 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.

(Added to NRS by 1983, 1846; A 1985, 1797; 1987, 188; 1989, 1264; 1991, 929, 2146; 1995, 1498)

463.363 Petition for hearing by board; notice and conduct of hearing.

1. Within 20 days after the date of receipt of the written decision of the agent, the aggrieved party may file a petition with the board requesting a hearing to reconsider the decision.

2. The petition must set forth the basis of the request for reconsideration.

3. If no petition for reconsideration is filed within the time prescribed in subsection 1, the decision shall be deemed final action on the matter and is not subject to reconsideration by the board or to review by the commission or any court.

4. The party requesting the hearing must provide a copy of the petition to the other party.

5. Within 15 days after service of the petition, the responding party may answer the allegations contained therein by filing a written response with the board.

6. The board shall schedule a hearing and may conduct the hearing as provided in subsection 4 of NRS 463.110, except that notice of the date, time and place of the hearing must be provided by the board to both parties.

7. The hearing must be conducted in accordance with regulations adopted by the commission.

(Added to NRS by 1983, 1846; A 1987, 188; 1989, 1265; 1991, 2146)

463.364 Burden of proof on party seeking reconsideration; decision of board or hearing examiner.

1. The party seeking reconsideration bears the burden of showing that the agent's decision should be reversed or modified.

2. After the hearing, the board or the hearing examiner may sustain, modify or reverse the agent's decision. The decision by the board or the hearing examiner must be in writing and must include findings of fact. A copy of the decision must be delivered or mailed forthwith to each party or to his attorney of record.

(Added to NRS by 1983, 1847; A 1991, 930)

463.366 Payment of claim after decision of board or hearing examiner becomes final; deposit and withdrawal of amount of claim upon judicial review.

1. Except as otherwise provided in subsection 2, a licensee shall pay a patron's claim within 20 days after the decision of the board or the hearing examiner directing him to do so becomes final. Failure to pay within that time is grounds for disciplinary action pursuant to NRS 463.311 to 463.3145, inclusive.

2. If a licensee intends to file a petition for judicial review of the decision pursuant to NRS 463.3662 to 463.3668, inclusive, the licensee must first deposit in an interest-bearing account in a financial institution an amount equal to the amount in dispute. The licensee shall pay the full amount of the patron's claim, including interest, within 20 days after a final, nonappealable order of a court of competent jurisdiction so directs.

3. The licensee may withdraw the amount deposited in the financial institution upon:

(a) Payment of the full amount of the patron's claim, plus interest, if the licensee has given notice to the board of the payment; or

(b) A final determination by the court that the licensee is not required to pay the claim.

(Added to NRS by 1983, 1847; A 1987, 1275; 1991, 930)

463.3662 Judicial review: Petition; intervention; stay of enforcement.

1. Any person aggrieved by a final decision or order of the board or the hearing examiner made after hearing by the board pursuant to NRS 463.361 to 463.366, inclusive, may obtain a judicial review thereof in the district court of the county in which the dispute between the licensee and patron arose.

2. The judicial review must be instituted by filing a petition within 20 days after the effective date of the

final decision or order. The petition must set forth the order or decision appealed from and the grounds or reasons why the petitioner contends that a reversal or modification should be ordered.

3. Copies of the petition must be served upon the board and all other parties of record, or their counsel of record, either personally or by certified mail.

4. The court, upon a proper showing, may permit other interested persons to intervene as parties to the appeal or as friends of the court.

5. The filing of the petition does not stay enforcement of the decision or order of the board or the hearing examiner, but the board itself may grant a stay upon such terms and conditions as it deems proper.

(Added to NRS by 1987, 1276; A 1989, 1265; 1991, 930)

#### 463.3664 Judicial review: Record on review.

1. Upon written request of petitioner and upon payment of such reasonable costs and fees as the board may prescribe, the complete record on review, or such parts thereof as are designated by the petitioner, must be prepared by the board.

2. The complete record on review must include copies of:

(a) All pleadings in the case;

(b) All notices and interim orders issued by the board in connection with the case;

(c) All stipulations;

(d) The decision and order appealed from;

(e) A transcript of all testimony, evidence and proceedings at the hearing;

(f) The exhibits admitted or rejected; and

(g) Any other papers in the case.

The original of any document may be used in lieu of a copy thereof. The record on review may be shortened by stipulation of all parties to the review proceedings.

3. The record on review must be filed with the reviewing court within 30 days after service of the petition for review, but the court may allow the board additional time to prepare and transmit the record on review.

(Added to NRS by 1987, 1276)

#### 463.3666 Judicial review: Additional evidence taken by board or hearing examiner; review confined to record; court may affirm, remand or reverse.

1. The reviewing court may, upon motion therefor, order that additional evidence in the case be taken by the board or the hearing examiner upon such terms and conditions as the court deems just and proper. The motion must not be granted except upon a showing that the additional evidence is material and necessary and that sufficient reason existed for failure to present the evidence at the hearing conducted by the board or the hearing examiner. The motion must be supported by an affidavit of the moving party or his counsel showing with particularity the materiality and necessity of the additional evidence and the reason why it was not introduced in the administrative hearing. Rebuttal evidence to the additional evidence must be permitted. In cases in which additional evidence is presented to the board or the hearing examiner, the board or the hearing examiner may modify the decisions and orders as the additional evidence may warrant and shall file with the reviewing court a transcript of the additional evidence together with any modifications of the decision and order, all of which become a part of the record on review.

2. The review must be conducted by the court sitting without a jury, and must not be a trial de novo but is confined to the record on review. The filing of briefs and oral argument must be made in accordance with the rules governing appeals in civil cases unless the local rules of practice adopted in the judicial district provide a different procedure.

3. The reviewing court may affirm the decision and order of the board or the hearing examiner, or it may remand the case for further proceedings or reverse the decision if the substantial rights of the petitioner have been prejudiced because the decision is:

(a) In violation of constitutional provisions;

(b) In excess of the statutory authority or jurisdiction of the board or the hearing examiner;

(c) Made upon unlawful procedure;

(d) Unsupported by any evidence; or

(e) Arbitrary or capricious or otherwise not in accordance with law.

(Added to NRS by 1987, 1277; A 1991, 931, 2147)

463.3668 Judicial review: Appeal; exclusive method of review; costs to transcribe proceedings and transmit record.

1. Any party aggrieved by the final decision in the district court after a review of the decision and order of the board or the hearing examiner may appeal to the supreme court in the manner and within the time provided by law for appeals in civil cases. The supreme court shall follow the same procedure thereafter as in appeals in civil actions, and may affirm, reverse or modify the decision as the record and law warrant.
  2. The judicial review by the district and supreme courts afforded in this chapter is the exclusive method of review of any actions, decisions and orders in hearings held pursuant to NRS 463.361 to 463.366, inclusive. Judicial review is not available for extraordinary common law writs or equitable proceedings.
  3. The party requesting judicial review shall bear all of the costs of transcribing the proceedings before the board or the hearing examiner and of transmitting the record on review.
- (Added to NRS by 1987, 1277; A 1991, 931)

463.3669 Assignment of right to periodic payments of winnings.

No right of periodic payments of winnings is assignable by a patron, in whole or in part, except that periodic payments may be paid to the estate of a deceased patron or, pursuant to an order of dissolution of marriage entered by a court of competent jurisdiction, to the former spouse of a patron.

(Added to NRS by 1995, 1496)

## **RECOVERY OF GAMING DEBTS BY LICENSEES**

463.368 Credit instruments: Validity; enforcement; redemption; penalties.

1. A credit instrument accepted on or after June 1, 1983, and the debt that the credit instrument represents are valid and may be enforced by legal process.
  2. A licensee or a person acting on behalf of a licensee may accept an incomplete credit instrument which:
    - (a) Is signed by a patron; and
    - (b) States the amount of the debt in figures,and may complete the instrument as is necessary for the instrument to be presented for payment.
  3. A licensee or person acting on behalf of a licensee:
    - (a) May accept a credit instrument that is payable to an affiliated company or may complete a credit instrument in the name of an affiliated company as payee if the credit instrument otherwise complies with this subsection and the records of the affiliated company pertaining to the credit instrument are made available to agents of the board upon request.
    - (b) May accept a credit instrument either before, at the time, or after the patron incurs the debt. The credit instrument and the debt that the credit instrument represents are enforceable without regard to whether the credit instrument was accepted before, at the time or after the debt is incurred.
  4. This section does not prohibit the establishment of an account by a deposit of cash, recognized traveler's check, or any other instrument which is equivalent to cash.
  5. If a credit instrument is lost or destroyed, the debt represented by the credit instrument may be enforced if the licensee or person if acting on behalf of the licensee can prove the existence of the credit instrument.
  6. A patron's claim of having a mental or behavioral disorder involving gambling:
    - (a) Is not a defense in any action by a licensee or a person acting on behalf of a licensee to enforce a credit instrument or the debt that the credit instrument represents.
    - (b) Is not a valid counterclaim to such an action.
  7. Any person who violates the provisions of this section is subject only to the penalties provided in NRS 463.310 to 463.318, inclusive. The failure of a person to comply with the provisions of this section or the regulations of the commission does not invalidate a credit instrument or affect the ability to enforce the credit instrument or the debt that the credit instrument represents.
  8. The commission may adopt regulations prescribing the conditions under which a credit instrument may be redeemed or presented to a bank for collection or payment.
- (Added to NRS by 1983, 828; A 1985, 798; 1989, 400; 1991, 817; 1995, 1499)

## FEES FOR STATE AND COUNTY BUSINESS LICENSES

463.370 Monthly fee for state license based upon gross revenue; license issued for less than full month; underpayments and overpayments; cessation of operation; offset of certain losses.

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

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

Four percent of all the gross revenue of the licensee which exceeds \$50,000 per calendar month and does not exceed \$134,000 per calendar month; and

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

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

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

4. All revenue received from any game or gaming device which is operated on the premises of a licensee, regardless of whether any portion of the revenue is shared with any other person, must be attributed to the licensee for the purposes of this section and counted as part of the gross revenue of the licensee. Any other person who is authorized to receive a share of the revenue is liable to the licensee for his proportionate share of the license fees paid pursuant to this section.

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

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

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

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

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

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

Interest must be computed at the rate prescribed in NRS 17.130 from the first day of the first month following either the due date of the additional license fees or the date of overpayment until paid.

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

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

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

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

(b) Refund any overpayment, with interest thereon, to the licensee, based upon the gross revenue of the licensee during the last 3 months immediately preceding the cessation of operation, or portions of those last 3 months.

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

11. If in any month, the amount of the license fee due is less than zero, the licensee is entitled to receive a credit against any license fees due in succeeding months until the credit has been fully offset. [Part 10e:99:1931; added 1945, 492; A 1947, 7 34; 1949, 114; 1955, 760]--(NRS A 1959, 452; 1965, 1034; 1967, 180, 674, 821, 886, 1082; 1969, 187, 403, 824; 1975, 689, 1143; 1981, 569, 1089; 1983, 216; 1987, 546, 548; 1989, 1158; 1991, 675, 932; 1993, 312; 1995, 204, 759, 763)

#### 463.371 Computation of gross revenue: Credit instruments; cash and its equivalents.

1. For the purposes of this chapter, except as otherwise provided in subsection 3, the computation of gross revenue must include the face value of any credit instrument accepted on or after July 1, 1981, if, within 5 years after the last day of the month following the month in which the instrument was accepted by the licensee, the board determines that:

(a) The instrument was not signed by the patron or otherwise acknowledged by him in a written form satisfactory to the board;

(b) The licensee did not have an address for the patron at the time of accepting the instrument, or, in lieu of that address, has not provided the board, within a reasonable time after its request, the current address of the patron to whom the credit was extended;

(c) The licensee has not provided the board any evidence that the licensee made a reasonable effort to collect the debt;

(d) The licensee has not provided the board any evidence that the licensee checked the credit history of the patron before extending the credit to him;

(e) The licensee has not produced the instrument within a reasonable time after a request by the board for the instrument unless it:

(1) Is in the possession of a court, governmental agency or financial institution;

(2) Has been returned to the patron upon his partial payment of the instrument;

(3) Has been stolen and the licensee has made a written report of the theft to the appropriate law enforcement agency; or

(4) Cannot be produced because of any other circumstance which is beyond the licensee's control;

(f) The signature of the patron on the instrument was forged and the licensee has not made a written report of the forgery to the appropriate law enforcement agency; or

(g) Upon an audit by the board, the licensee requested the auditors not to confirm the unpaid balance of the debt with the patron and there is no other satisfactory means of confirmation.

2. For the purposes of this chapter, the computation of gross revenue must not include cash or its equivalent which is received in full or partial payment of a debt previously included in the computation of gross revenue pursuant to subsection 1.

3. Subsection 1 does not apply to any credit instrument which is settled for less than its face amount to:

(a) Induce a partial payment;

(b) Compromise a dispute;

(c) Retain a patron's business for the future; or

(d) Obtain a patron's business if:

(1) An agreement is entered into to discount the face amount of a credit instrument before it is issued to induce timely payment of the credit instrument; and

(2) The percentage of discount of the instrument is reasonable as compared to the prevailing practice in the industry.

(Added to NRS by 1981, 1542; A 1983, 829; 1987, 396, 1234, 1235)

#### 463.3715 Computation of gross revenue: Items which may be deducted.

1. In calculating gross revenue, any prizes, premiums, drawings, benefits or tickets that are redeemable for money or merchandise or other promotional allowance, except money or tokens paid at face value directly to a patron as the result of a specific wager, must not be deducted as losses from winnings at any game except a slot machine.

2. In calculating gross revenue, the amount of cash paid to fund periodic payments may be deducted as losses from winnings for any game.
3. In calculating gross revenue from slot machines, keno and bingo, the actual cost to the licensee of any personal property distributed to a patron as the result of a specific legitimate wager may be deducted as a loss, but not travel expenses, food, refreshments, lodging or services.
4. In calculating gross revenue from bingo, a licensee who provides a patron with additional play at bingo as the result of an initial wager may deduct as losses from winnings all money or tokens paid directly to that patron as a result of such additional play.
5. In calculating gross revenue, a licensee may deduct its pro rata share of a payout from a game played in an inter-casino linked system except for a payout made in conjunction with a card game. The amount of the deduction must be determined based upon the written agreement among the licensed gaming establishments participating in the inter-casino linked system and the operator of the system. All cash prizes and the value of noncash prizes awarded during a contest or tournament conducted in conjunction with an inter-casino linked system are also deductible on a pro rata basis to the extent of the compensation received for the right to participate in that contest or tournament. The deductions may be taken only by those participating licensed gaming establishments that held an active gaming license at any time during the month in which the payout was awarded.  
(Added to NRS by 1981, 1073; A 1985, 804, 2146; 1987, 90; 1991, 533; 1995, 761, 1500)

#### 463.372 Slot machines: Counting for purposes of administering quarterly fee and annual taxes and fees.

For purposes of administering the quarterly state license fee imposed by NRS 463.373, the annual state license fees imposed by NRS 463.375 and 463.3855, and the annual tax imposed by NRS 463.385, the commission shall prescribe by regulation the manner of counting slot machines whose operations are related to one another.  
(Added to NRS by 1969, 616; A 1979, 1737; 1983, 1336)

#### 463.373 Quarterly fee for state license for restricted operation.

1. Before issuing a state gaming license to an applicant for a restricted operation, the commission shall charge and collect from him for each slot machine for each quarter year:
  - (a) A license fee of \$61 for each slot machine if he will have at least one but not more than five slot machines.
  - (b) A license fee of \$305 plus \$106 for each slot machine in excess of five if he will have at least six but not more than 15 slot machines.
2. The commission shall charge and collect the fee prescribed in subsection 1:
  - (a) On or before the last day of the last month in a calendar quarter, for the ensuing calendar quarter, from a licensee whose operation is continuing.
  - (b) In advance from a licensee who begins operation or puts additional slot machines into play during a calendar quarter.
3. Except as otherwise provided in NRS 463.386, no proration of the fee prescribed in subsection 1 may be allowed for any reason.
4. The operator of the location where slot machines are situated shall pay the fee prescribed in subsection 1 upon the total number of slot machines situated in that location, whether or not the machines are owned by one or more licensee-owners.  
(Added to NRS by 1967, 818; A 1969, 188; 1973, 389; 1981, 570, 571, 1091; 1983, 1336; 1987, 1860; 1993, 1444)

#### 463.375 Quarterly fee for state license for nonrestricted operation.

1. In addition to any other state gaming license fees provided for in this chapter, before issuing a state gaming license to an applicant for a nonrestricted operation, the commission shall charge and collect from the applicant a license fee of \$80 for each slot machine for each calendar year.
2. The commission shall charge and collect the fee prescribed in subsection 1, at the rate of \$20 for each slot machine for each calendar quarter:
  - (a) On or before the last day of the last month in a calendar quarter, for the ensuing calendar quarter, from a licensee whose operation is continuing.

(b) In advance from a licensee who begins operation or puts additional slot machines into play during a calendar quarter.

3. Except as provided in NRS 463.386, no proration of the quarterly amount prescribed in subsection 2 may be allowed for any reason.

4. The operator of the location where slot machines are situated shall pay the fee prescribed in subsection 1 upon the total number of slot machines situated in that location, whether the machines are owned by one or more licensee-owners.

(Added to NRS by 1967, 883; A 1969, 189; 1973, 390; 1981, 571, 1092)

463.380 Annual fee for state license based on number of games operated.

1. In addition to any other state gaming license fees provided for in this chapter, the commission shall, before issuing a state gaming license, charge and collect in advance from each applicant a license fee to be determined on the following basis:

Those establishments operating or to operate one game, the sum of \$100.

Those establishments operating or to operate two games, the sum of \$200.

Those establishments operating or to operate three games, the sum of \$400.

Those establishments operating or to operate four games, the sum of \$750.

Those establishments operating or to operate five games, the sum of \$1,750.

Those establishments operating or to operate six or seven games, the sum of \$3,000.

Those establishments operating or to operate 8, 9 or 10 games, the sum of \$6,000.

Those establishments operating or to operate 11, 12 or 13 games, the sum of \$650 for each game so operating or to operate.

Those establishments operating or to operate 14, 15 or 16 games, the sum of \$1,000 for each game so operating or to operate.

Those establishments operating or to operate more than 16 games, the sum of \$1,000 for each game to and including 16 games and the sum of \$200 for each game in excess of 16 games so operating or to operate.

2. In computing the number of games operated or to be operated by an applicant under this section, a license authorizing the receiving of bets or wagers on races held at a track which uses the pari-mutuel system of wagering located outside of the State of Nevada, or on sporting events by any system or method of wagering other than the system known as the pari-mutuel method of wagering, shall be deemed a game within the meaning of this section.

3. All licenses must be issued for the calendar year beginning January 1 and expiring December 31. If the operation of the licensee is continuing, the commission shall charge and collect the fee prescribed in subsection 1 on or before December 31 for the ensuing calendar year. If the operation is new or has been temporarily closed with the approval of the board, the commission shall prorate the license fee on a monthly basis. If any licensee desires to enlarge his operations during the calendar year, he must, after his application is approved, be charged the full annual fees for the number of games for which he desires a license under this section, and is entitled to credit thereon for the annual fee he may have previously paid under this section for the same calendar year for a lesser number of games.

4. Card games, that is, stud or draw poker, bridge, whist, solo, low ball, and panguingui for money, and slot machines, when not utilized as an adjunct to or a unit of any banking, percentage or mechanical device or machine, are not gambling games under the provisions of this section.

5. All games operated or conducted in one room or a group of rooms in the same or a contiguous building

are considered one operation under this section, and the license to be paid must be determined on the aggregate number of games in each room or group of rooms in the same or a contiguous building.

6. Except as otherwise provided in this section and NRS 463.386, the amount of the fee specified in subsection 1 must not be prorated.

[Part 10ee:99:1931; added 1947, 734; A 1949, 114; 1955, 760]--(NRS A 1957, 783; 1959, 453; 1965, 1035; 1967, 181, 675, 887; 1969, 189; 1975, 690; 1979, 1016; 1981, 1093; 1987, 632, 2261)

463.383 Quarterly fee for state license based on number of games operated.

1. In addition to any other state gaming license fees provided for in this chapter, the commission shall, before issuing a state gaming license, charge and collect from each applicant a quarterly license fee to be determined on the basis of the following annual rates:

(a) From establishments operating or to operate 10 games or less:

Those establishments operating or to operate one game, the sum of \$50.

Those establishments operating or to operate two games, the sum of \$100.

Those establishments operating or to operate three games, the sum of \$200.

Those establishments operating or to operate four games, the sum of \$375.

Those establishments operating or to operate five games, the sum of \$875.

Those establishments operating or to operate six or seven games, the sum of \$1,500.

Those establishments operating or to operate 8, 9 or 10 games, the sum of \$3,000.

(b) From establishments operating or to operate more than 10 games:

(1) For each game up to and including 16 games, the sum of \$500.

(2) For each game from 17 to 26 games, inclusive, the sum of \$4,800.

(3) For each game from 27 to 35 games, inclusive, the sum of \$2,800.

(4) For each game more than 35 games, the sum of \$100.

2. The commission shall charge and collect the fee prescribed in subsection 1, at the rate of one-fourth of the prescribed annual rate for each calendar quarter:

(a) On or before the last day of the last month in a calendar quarter, for the ensuing calendar quarter, from a licensee whose operation is continuing.

(b) In advance from a licensee who begins operation or puts additional games into play during a calendar quarter.

3. Except as otherwise provided in NRS 463.386, no proration of the quarterly amount prescribed in subsection 2 may be allowed for any reason.

4. In computing the number of games operated or to be operated by an applicant under this section, a license authorizing the receiving of bets or wagers on races held at a track which uses the pari-mutuel system of wagering located outside of the State of Nevada or on sporting events by any system or method of wagering other than the system known as the pari-mutuel method of wagering, shall be deemed a game within the meaning of this section.

5. Card games, that is, stud or draw poker, bridge, whist, solo, low ball, and panguingui for money, and slot machines, when not utilized as an adjunct to or a unit of any banking, percentage or mechanical device or machine, are not gambling games under the provisions of this section.

6. All games operated or conducted in one room or a group of rooms in the same or a contiguous building are considered one operation and the license to be paid must be determined on the aggregate number of games in each room or group of rooms in the same or a contiguous building.

(Added to NRS by 1967, 883; A 1969, 191; 1973, 390; 1975, 691; 1979, 1018; 1981, 1094; 1987, 633)

463.385 Annual excise tax upon slot machines: Imposition; collection; deposit and use of receipts.

1. In addition to any other license fees and taxes imposed by this chapter, there is hereby imposed upon each slot machine operated in this state an annual excise tax of \$250. If a slot machine is replaced by

another, the replacement is not considered a different slot machine for the purpose of imposing this tax.

2. The commission shall:

(a) Collect the tax annually on or before June 20, as a condition precedent to the issuance of a state gaming license to operate any slot machine for the ensuing fiscal year beginning July 1, from a licensee whose operation is continuing.

(b) Collect the tax in advance from a licensee who begins operation or puts additional slot machines into play during the fiscal year, prorated monthly after July 31.

(c) Include the proceeds of the tax in its reports of state gaming taxes collected.

3. The commission shall pay over the tax as collected to the state treasurer to be deposited to the credit of the state distributive school account in the state general fund, and the capital construction fund for higher education and the special capital construction fund for higher education, which are hereby created in the state treasury as special revenue funds, in the amounts and to be expended only for the purposes specified in this section.

4. During each fiscal year the state treasurer shall deposit the tax paid over to him by the commission as follows:

(a) The first \$5,000,000 of the tax in the capital construction fund for higher education;

(b) Twenty percent of the tax in the special capital construction fund for higher education; and

(c) The remainder of the tax in the state distributive school account in the state general fund.

5. There is hereby appropriated from the balance in the special capital construction fund for higher education on July 31 of each year the amount necessary to pay the principal and interest due in that fiscal year on the bonds issued pursuant to section 5 of chapter 679, Statutes of Nevada 1979, as amended by chapter 585, Statutes of Nevada 1981, at page 1251, the bonds authorized to be issued by section 2 of chapter 643, Statutes of Nevada 1987, the bonds authorized to be issued by section 2 of chapter 614, Statutes of Nevada 1989, and the bonds authorized to be issued by section 2 of chapter 718, Statutes of Nevada 1991. If in any year the balance in that fund is not sufficient for this purpose, the remainder necessary is hereby appropriated on July 31 from the capital construction fund for higher education. The balance remaining unappropriated in the capital construction fund for higher education on August 1 of each year and all amounts received thereafter during the fiscal year must be transferred to the state general fund for the support of higher education. If bonds described in this subsection are refunded and if the amount required to pay the principal of and interest on the refunding bonds in any fiscal year during the term of the bonds is less than the amount that would have been required in the same fiscal year to pay the principal of and the interest on the original bonds if they had not been refunded, there is appropriated to the University and Community College System of Nevada an amount sufficient to pay the principal of and interest on the original bonds, as if they had not been refunded. The amount required to pay the principal of and interest on the refunding bonds must be used for that purpose from the amount appropriated. The amount equal to the saving realized in that fiscal year from the refunding must be used by the University and Community College System of Nevada to defray, in whole or in part, the expenses of operation and maintenance of the facilities acquired in part with the proceeds of the original bonds.

6. After the requirements of subsection 5 have been met for each fiscal year, when specific projects are authorized by the legislature, money in the capital construction fund for higher education and the special capital construction fund for higher education must be transferred by the state controller and the state treasurer to the state public works board for the construction of capital improvement projects for the University and Community College System of Nevada, including but not limited to capital improvement projects for the community colleges of the University and Community College System of Nevada. As used in this subsection, "construction" includes, but is not limited to, planning, designing, acquiring and developing a site, construction, reconstruction, furnishing, equipping, replacing, repairing, rehabilitating, expanding and remodeling. Any money remaining in either fund at the end of a fiscal year does not revert to the state general fund but remains in those funds for authorized expenditure.

7. The money deposited in the state distributive school account in the state general fund under this section must be apportioned as provided in NRS 387.030 among the several school districts of the state at the times and in the manner provided by law.

8. The board of regents of the University of Nevada may use any money in the capital construction fund for higher education and the special capital construction fund for higher education for the payment of interest and amortization of principal on bonds and other securities, whether issued before, on or after July 1, 1979, to defray in whole or in part the costs of any capital project authorized by the legislature.

(Added to NRS by 1967, 874; A 1971, 168; 1973, 909; 1975, 692; 1977, 1033; 1979, 1738, 1739; 1983, 515, 516, 1364, 1365; 1987, 423, 1501, 1504; 1989, 314, 1375; 1991, 1911, 2380; 1993, 407, 584)

463.3855 Annual fee for state license for operator of slot machine route or inter-casino linked system.

1. In addition to any other state license fees imposed by this chapter, the commission shall, before issuing a state gaming license to an operator of a slot machine route or an operator of an inter-casino linked system, charge and collect from him an annual license fee of \$500.
2. Each such license must be issued for a calendar year beginning January 1 and ending December 31. If the operation of the licensee is continuing, the commission shall charge and collect the fee on or before December 31 for the ensuing calendar year.
3. Except as otherwise provided in NRS 463.386, the fee to be charged and collected under this section is the full annual fee, without regard to the date of application for or issuance of the license.

(Added to NRS by 1983, 1332; A 1995, 761)

463.3857 Fee from licensee who concludes gaming operation based on all compensation received in payment of credit instrument held by licensee or affiliate; calculation and collection; security required for payment of fee.

1. Except as otherwise provided in NRS 463.386, the commission shall charge and collect from each licensee who concludes a gaming operation, a monthly fee on all cash or other compensation received by the licensee or any affiliate of the licensee in payment of any credit instrument received as a result of that gaming operation which is held by the licensee or any affiliate of the licensee and remains unpaid on the last tax day.
2. The fee must be:
  - (a) Calculated by applying to the amount of cash or other compensation received in payment of a credit instrument during the month a rate derived from the application of the rates and monetary limits set forth in NRS 463.370 to the licensee's experience in receiving payment of credit instruments before concluding gaming operations; and
  - (b) Collected and refunded pursuant to the regulations adopted by the commission.
3. To secure payment of the fee, the licensee must make a cash deposit or post and maintain a surety bond or other acceptable form of security with the commission in an amount determined by applying the rate derived pursuant to paragraph (a) of subsection 2 to the value of all collectible credit instruments.
4. As used in this section:
  - (a) "Last tax day" means the last day for which a licensee is legally obligated to pay the fees imposed pursuant to NRS 463.370.
  - (b) "Value of all collectible credit instruments" means the amount of cash or other compensation the licensee may reasonably expect to receive in payment of unpaid credit instruments after conclusion of his gaming operation, taking into account all relevant factors.

(Added to NRS by 1989, 2058; A 1993, 7)

463.386 Credit for prepaid fees for license upon transfer of corporate gaming operations.

1. If the commission approves the issuance of a license for gaming operations at the same location, or locations if the license is for the operation of a slot machine route, within 30 days following a change described in subsection 2, for the purposes of NRS 463.370 and 463.373 to 463.3855, inclusive, the gaming license shall be deemed transferred and the previously licensed operation shall be deemed a continuing operation.
2. Credit must be granted for prepaid license fees as described in subsection 1 if:
  - (a) The securities of a corporate gaming licensee are or become publicly held or publicly traded and the gaming operations of that corporation are transferred to a wholly owned subsidiary corporation;
  - (b) A corporate gaming licensee is merged with another corporation which is the surviving entity and at least 80 percent of the surviving entity is owned by shareholders of the former licensee;
  - (c) A corporate gaming licensee is dissolved, and the parent corporation of the dissolved corporation or a subsidiary corporation of the parent corporation, at least 80 percent of which is owned by the parent corporation, becomes the gaming licensee;

- (d) A corporate gaming licensee or a gaming licensee which is a partnership or limited partnership is reorganized pursuant to a plan of reorganization approved by the commission, and a limited partnership or limited-liability company is the surviving entity;
- (e) The assets of a gaming licensee who is a sole proprietorship are transferred to:
- (1) A corporation and at least 80 percent of the stock of the corporation is held by the former sole proprietor; or
  - (2) A limited-liability company and at least 80 percent of the interests in the limited-liability company are held by the former sole proprietor;
- (f) A corporate gaming licensee is dissolved and the assets of the gaming establishment are transferred to:
- (1) A sole proprietorship in which the sole proprietor owned at least 80 percent of the stock of the former corporation; or
  - (2) A limited-liability company in which at least 80 percent of the interests are owned by a person who owned at least 80 percent of the stock of the former corporation;
- (g) A licensed gaming partnership or limited partnership is dissolved and the assets of the gaming establishment are transferred to a sole proprietorship in which the sole proprietor owned at least 80 percent of the former partnership or limited partnership interests;
- (h) The assets of a gaming licensee who is a sole proprietorship are transferred to a partnership or limited partnership in which at least 80 percent of the ownership of the partnership or limited partnership interests are held by the former sole proprietor;
- (i) A licensed gaming partnership, limited partnership or limited-liability company is dissolved and the assets of the gaming establishment are transferred to a corporation, at least 80 percent of the stock of which is held by persons who held interests in the former partnership, limited partnership or limited-liability company;
- (j) A licensed gaming partnership or limited partnership is dissolved or reorganized and the assets of the gaming establishment are transferred to a partnership, limited partnership or limited-liability company, at least 80 percent of the ownership of which is held by the former partnership interests; or
- (k) A trustee, receiver, assignee for the benefit of a creditor or a fiduciary is approved to continue the operation of a licensed establishment and the commission deems the operation to continue pursuant to the existing license of the establishment.
3. Except as otherwise provided in this section, no credit or refund of fees or taxes may be made because a gaming establishment ceases operation.  
(Added to NRS by 1973, 389; A 1975, 693; 1979, 1528, 1740; 1981, 1095; 1983, 1337; 1991, 534, 1011; 1993, 2001)

463.387 Refund of excessive state fees or taxes paid; action against commission; interest; time within which claim for refund must be filed.

1. State gaming license fees or taxes paid in excess of the amount required to be reported and paid may be refunded, upon the approval of the commission, as other claims against the state are paid.
2. Within 90 days after the mailing of the notice of the commission's action upon a claim for refund filed pursuant to this chapter, the claimant may bring an action against the commission on the grounds set forth in the claim in any court of competent jurisdiction for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.
3. Failure to bring an action within the time specified in subsection 2 constitutes a waiver of any demand against the state on account of alleged overpayments.
4. If the commission fails to mail its notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and bring an action against the commission on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.
5. In any case where a refund is granted, interest must be allowed at the rate prescribed in NRS 17.130 upon the amount found to have been erroneously paid from the first day of the first month following the date of overpayment until paid. The commission may in its discretion deny or limit the payment of interest if it finds that the claimant has failed to file a claim for a refund within 90 days after receiving written notification of overpayment from the board or has impeded the board's ability to process the claim in a timely manner.
6. Notwithstanding the provisions of NRS 353.115, any claim for refund of state gaming license fees or taxes paid in excess of the amount required to be reported and paid, must be filed with the commission

within 5 years after the date of overpayment and not thereafter.

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

(Added to NRS by 1969, 913; A 1975, 693, 1143; 1977, 1406; 1981, 1097; 1991, 933; 1995, 205)

463.388Determination of deficiency: Recomputation or estimate of taxes or fees; offsetting overpayments; refund of excess.

1. If any person fails to make a report of the state license fees or taxes as required by this chapter, or if the board is not satisfied with the report of the state license fees or taxes required to be paid to the state pursuant to this chapter by any person, the board may compute and determine the amount required to be paid upon the basis of:

(a) The facts contained in the report, if any;

(b) An audit conducted by the board;

(c) An estimate of the amount of taxes or fees due pursuant to the provisions of this chapter;

(d) Any information within its possession or that may come into its possession; or

(e) Any combination of the methods described in paragraphs (a) to (d), inclusive.

2. In making such a determination, the board may offset overpayments and interest due thereon against underpayments and interest or penalties due thereon for the period of the audit.

3. If overpayments and interest thereon exceed underpayments, penalties and interest thereon, the excess must be refunded to the licensee except where otherwise expressly provided.

(Added to NRS by 1977, 1403; A 1981, 1097, 1544; 1987, 397)

463.3881Determination of deficiency: Notice.

1. The board shall give written notice of its determination pursuant to NRS 463.388 to the licensee or other person responsible for the payment of the license fee or tax.

2. The notice may be served by sending it by certified mail, addressed to the licensee or other person at the licensed location as it appears in the records of the commission.

3. Except in the case of fraud or intent to evade the payment of any fee or tax imposed by this chapter, every notice of a determination of deficiency must be mailed within 5 years after the last day of the calendar month following the applicable reporting period in which the deficiency occurred or within 5 years after the report is filed by the licensee, whichever period expires later.

4. If, before the expiration of the time prescribed in this section for the mailing of a notice of a determination of deficiency, the licensee has consented in writing to the mailing of the notice after that time, the notice may be mailed at any time before the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing before the expiration of the period previously agreed upon.

5. If the reasons for the deficiency are not apparent, the board shall include a brief explanation of those reasons in the notice of a determination of deficiency.

(Added to NRS by 1977, 1404; A 1981, 1098; 1987, 289; 1991, 934)

463.3882Determination of deficiency: Lien.

1. Upon the expiration of 30 days after the service of notice of a deficiency determination, the amount of license fees or taxes due, together with all interest and penalties, constitutes a lien on any right, title or interest in all real and personal property where the gaming establishment is located, or that is directly connected with gaming, which is in the state and owned by the person against whom the determination has been made unless he files a petition for a redetermination which complies with the provisions of NRS 463.3883.

2. If a proper petition for a redetermination is filed, any amount due pursuant to a final order or decision upon the petition for redetermination constitutes a lien on all such property within the state owned by the debtor upon service of the final order or decision.

3. The filing of a petition for judicial review does not affect the lien or stay any action for the enforcement of the lien. If the amount due is modified upon review, the commission shall record a notice of the modification of the amount of the lien.

4. A debtor continues to be responsible for a deficiency determination although he is no longer licensed pursuant to this chapter.

5. A lien created pursuant to this section is perfected upon the recording of a notice of the lien with the secretary of state and the county recorder of the county within which the establishment subject to the lien is located. The lien has priority over any other lien except a previously recorded lien and continues for 5 years from the date it is recorded unless it is sooner discharged.

6. Within 5 years after the recording of the lien or within 5 years after its most recent extension, the lien may be extended by recording a notice that it remains unsatisfied with the secretary of state and the county recorder of the county within which the establishment subject to the lien is located. Upon this recording, the existence of the lien is extended 5 years unless sooner released or otherwise discharged.

7. The lien is discharged upon:

(a) Payment or cancellation of the underlying debt; or

(b) The conveyance to the state of property which satisfied the underlying debt.

(Added to NRS by 1981, 1071)

**463.3883Redetermination: Time for filing and contents of petition; hearing; finality of order; judicial review.**

1. Any person against whom a determination is made pursuant to NRS 463.388 may petition the commission for a redetermination within 30 days after service of notice of the determination upon him. If a petition for redetermination satisfying the requirements of subsection 3 is not filed within 30 days, the determination becomes final at the expiration of the period.

2. If a petition for redetermination satisfying the requirements of subsection 3 is filed within the 30-day period, the commission shall reconsider the determination and, if the petitioner has so requested, shall grant the petitioner a hearing.

3. A petition for redetermination must:

(a) Specify the contested portions of the determination of deficiency;

(b) Specify the grounds for redetermination;

(c) State whether a hearing is requested; and

(d) Be accompanied by payment in full of the uncontested portion of the determination, including any interest and penalties.

4. An order or decision of the commission upon a petition for redetermination is final 10 days after service upon the petitioner.

5. A petitioner against whom an order or decision of the commission has become final may, within 60 days after it becomes final, petition for judicial review in the manner provided by NRS 463.315 to 463.318, inclusive. The board may not petition for judicial review.

(Added to NRS by 1977, 1404; A 1981, 1098; 1987, 398; 1991, 2147)

**463.389Remedies of state are cumulative.**

The remedies of the state for the collection and payment of license fees, taxes, penalties and interest provided for in this chapter are cumulative and any action taken by the commission or the attorney general does not constitute an election by the state to pursue any remedy to the exclusion of any other remedy for which provision is made in this chapter.

(Added to NRS by 1977, 1404)

**463.390Quarterly fee for county license; penalty for late payment.**

1. Any natural person, firm, association, corporation, partnership, limited partnership or limited-liability company desiring to conduct, operate or carry on any gambling game, slot machine or any game of chance must, upon proper application to the sheriff if there is no county license department or to that department of the county wherein it is proposed that the slot machine, game or games be conducted or operated, be issued a license for each particular device or game or slot machine under the following conditions and regulations:

(a) The natural person, firm, association, corporation, partnership, limited partnership or limited-liability company so applying must furnish a complete description of the particular room and premises in which the applicant desires to carry on or conduct the slot machine, device or game, together with the location of the building, its street number, if any, and any other information by which it may be definitely and readily located and recognized.

(b) The applicant must state definitely the particular type of slot machine or the particular game or device which the applicant desires to carry on or conduct in the room and premises, and the slot machine, game or

device must be specifically described in and entered upon the license.

(c) Card games, that is, stud and draw poker, bridge, whist, solo, and panguingui for money, must be licensed independently of other games mentioned in this section, regardless of locality or population, at the rate of \$25 per table per month, payable at the time of the application prorated to the end of the calendar quarter during which the application is made, and thereafter payable 3 months in advance.

(d) A license fee of \$50 per month, payable at the time of the application prorated to the end of the calendar quarter during which the application is made, and thereafter payable for 3 months in advance, must be paid to the sheriff or county license department for each license issued for a game or device except for slot machines and games as otherwise provided for in this section. For each money slot machine the license fee is \$10 per month, payable at the time of the application prorated to the end of the calendar quarter during which the application is made, and thereafter payable for 3 months in advance. When a combination of units are operated by one handle, the license fee is \$10 per month, payable at the time of the application prorated to the end of the calendar quarter during which the application is made, and thereafter payable for 3 months in advance, for each unit paying in identical denominations operated thereby.

(e) The license entitles the holder to carry on or operate the specific slot machine, game or device for which the license is issued in the particular room and premises described therein, but not any other slot machine, game or device than that specified therein, or the specified slot machine, game or device in any other place than the room and premises so described, for a period of 3 months next succeeding the date of issuance of the license.

2. The licensee is entitled to operate two or more slot machines, games or devices in the same room by paying the license fee provided for in this section for each slot machine, game or device and otherwise complying with the terms of this section.

3. Except as otherwise provided in subsection 4 or NRS 463.400, any person failing to pay any license fees due to a county at the times respectively provided in this chapter must pay in addition to the license fees a penalty of not less than \$50 or 25 percent of the amount due, whichever is the greater, but not more than \$1,000 if the fees are less than 10 days late and in no case more than \$5,000. The penalty must be collected as are other charges, license fees and penalties under this chapter.

4. A county may waive all or part of any penalty due pursuant to subsection 3 if the board of county commissioners issues a written finding that the license fees were not paid in a timely manner as a result of circumstances beyond the licensee's control.

5. Where the operator of a slot machine route is contractually responsible for the payment of license fees for a particular establishment which holds a restricted license, the operator is also responsible for the payment of any penalties imposed for late payment of those license fees. In such a case, the owner of the establishment is not responsible for the payment of any penalties so imposed.

[2:99:1931; A 1939, 95; 1931 NCL § 3302.01] + [Part 10ee:99:1931; added 1947, 734; A 1949, 114; 1955, 760]--(NRS A 1959, 454; 1967, 1037, 1373; 1969, 192; 1979, 739, 1405; 1991, 617; 1993, 2002)

#### 463.395 Limitations on amount of fee for license or rate of tax imposed by local government.

1. The license fee or tax imposed by a local government for conducting, carrying on or operating any gambling game, slot machine or other game of chance must not exceed:

(a) The amount, if charged per person, establishment, game or machine; or

(b) The rate, if charged according to revenue,

which was in effect for that purpose on or before April 27, 1981.

2. If on that date the local government:

(a) Was in existence, had a population of less than 2,000 and was not collecting or authorized by ordinance to collect such a fee or tax, the local government may impose such a fee or tax in an amount approved by the Nevada tax commission which is not greater than the largest fee or tax imposed by a local government of the same kind. The fee or tax must not be increased.

(b) Was in existence, had a population of less than 2,000, and was authorized to collect but was not collecting such a fee or tax, the local government may impose such a fee or tax in an amount not greater than that authorized by ordinance.

(c) Was collecting a fee or tax which is afterward held to be invalid, the local government may impose a new fee or tax no greater in amount of estimated revenue to be derived than the fee or tax held invalid.

(Added to NRS by 1981, 568; A 1985, 1152; 1987, 936)

#### 463.400 Penalty for willful evasion of payment of fees for license and other acts and omissions.

Any person who willfully fails to report, pay or truthfully account for and pay over the license fees imposed by NRS 463.370, 463.373 to 463.3855, inclusive, and 463.390, or willfully attempts in any manner to evade or defeat any such tax or payment thereof, or any licensee who puts additional games into play without authority of the commission to do so or any licensee who fails to remit any license fee provided for by this chapter when due is in addition to the amount due liable for a penalty of the amount of the license fee evaded or not paid, collected or paid over. The penalty must be assessed and collected in the same manner as are other charges, license fees and penalties under this chapter.

[Part 10e:99:1931; added 1945, 492; A 1947, 734; 1949, 114; 1955, 760]--(NRS A 1965, 1036; 1967, 676, 822, 888; 1981, 1098; 1983, 1337)

## **CASINO ENTERTAINMENT TAX**

#### 463.4001 Definitions.

As used in NRS 463.4001 to 463.406, inclusive, unless the context otherwise requires, the words and terms defined in NRS 463.4002 to 463.4009, inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by 1995, 1798)

#### 463.4002 "Auditorium" defined.

"Auditorium" means a facility with a maximum seating capacity of 2,750 or more persons at an event in which entertainment is presented in connection with serving or selling food or refreshments or selling any merchandise.

(Added to NRS by 1995, 1798)

#### 463.4004 "Casino showroom" defined.

"Casino showroom" means a facility with a maximum seating capacity of no more than 2,749 persons at an event in which live entertainment of a type offered in a cabaret is presented in connection with serving or selling food or refreshments or selling any merchandise.

(Added to NRS by 1995, 1798)

#### 463.4006 "Instrumental music" defined.

"Instrumental music" means music played by live musicians on musical instruments.

(Added to NRS by 1995, 1798)

#### 463.4008 "Mechanical music" defined.

"Mechanical music" means music reproduced by any mechanical, electrical or electronic means, or a combination of such means.

(Added to NRS by 1995, 1798)

#### 463.4009 "Mechanical speech" defined.

"Mechanical speech" means speech reproduced by any mechanical, electrical or electronic means, or a combination of such means.

(Added to NRS by 1995, 1798)

#### 463.401 Levy; amount; exemptions.

1. In addition to any other license fees and taxes imposed by this chapter, a casino entertainment tax equivalent to 10 percent of all amounts paid for admission, food, refreshments and merchandise is hereby levied, except as provided in subsection 2, upon each licensed gaming establishment in this state where music and dancing privileges or any other entertainment is provided to the patrons in a cabaret, nightclub, cocktail lounge or casino showroom in connection with the serving or selling of food or refreshments or the selling of any merchandise. Amounts paid for gratuities directly or indirectly remitted to employees of the

licensee or for service charges collected and retained by persons other than the licensee are not taxable pursuant to this section.

2. A licensed gaming establishment is not subject to tax pursuant to this section if:

(a) The establishment is licensed for less than 51 slot machines, less than six games, or any combination of slot machines and games within those respective limits;

(b) The entertainment is presented in a facility that would not have been subject to taxation pursuant to 26 U.S.C. § 4231(6) as that provision existed in 1965;

(c) The entertainment is presented in a facility that would have been subject to taxation pursuant to 26 U.S.C. § 4231(1), (2), (3), (4) or (5) as those provisions existed in 1965; or

(d) In other cases, if:

(1) No distilled spirits, wine or beer is served or permitted to be consumed;

(2) Only light refreshments are served;

(3) Where space is provided for dancing, no charge is made for dancing; and

(4) Where music is provided or permitted, the music is provided without any charge to the owner, lessee or operator of the establishment or to any concessionaire.

3. The tax imposed by this section does not apply to merchandise sold outside the facility in which the entertainment is presented, unless the purchase of the merchandise entitles the purchaser to admission to the entertainment.

4. The tax imposed by this section must be paid by the licensee of the establishment.

(Added to NRS by 1965, 1468; A 1967, 980; 1979, 1558; 1983, 592; 1985, 1244; 1993, 1165; 1995, 1799)

#### 463.4015 Types of entertainment which are not subject to casino entertainment tax.

1. The following kinds of entertainment are not subject to the casino entertainment tax:

(a) A charitable or nonprofit benefit;

(b) An exhibition in a museum;

(c) A sporting event;

(d) A trade show;

(e) A motion picture film;

(f) An outdoor concert;

(g) A concert or other activity or entertainment presented in an amusement park, arcade, theme park, outdoor area, area with a man-made body of water, area customarily used for trade shows or conventions, or any similar area, unless the concert or other activity or entertainment is presented in a cabaret, nightclub, cocktail lounge or casino showroom which is located within such a facility or area;

(h) Interactive entertainment;

(i) Participation in physical or sporting activities other than dancing;

(j) Instrumental music alone;

(k) Music by musicians who move constantly through the audience, whether the music is vocal or instrumental, or both, if no other form of entertainment such as dancing privileges is afforded the patrons; and

(l) Mechanical music alone, mechanical speech alone or a combination of these.

2. Entertainment is also not subject to the casino entertainment tax if the entertainment is:

(a) Provided or occurs at private meetings or dinners attended by members of a particular organization or by a casual assemblage and the purpose of the event is not primarily for entertainment;

(b) Provided to the public without requirement for payment of an admission charge or the purchase of food, refreshment or merchandise or the expectation that the patron will not remain to view or participate in the entertainment without purchasing food, refreshment or merchandise;

(c) Presented in or about a swimming pool, water park or on a natural or artificial beach;

(d) Presented in an auditorium; or

(e) Presented in a common area of a shopping mall.

(Added to NRS by 1995, 1798)

#### 463.402 Forms for reports; regulations and standards.

1. To administer the collection of the tax imposed by NRS 463.401, the commission:

(a) Shall prescribe and cause to be printed and issued free of charge all forms for reports.

(b) May adopt and enforce any necessary or convenient rules, regulations and standards.

2. Funds for such administration shall be provided in the regular budget of the commission.  
(Added to NRS by 1965, 1468)

#### 463.403 Monthly reports and payments; overpayments and underpayments; interest.

1. Every person required to pay the tax imposed by NRS 463.401 shall file with the commission, on or before the 24th day of each month, a report showing the amount of all taxable receipts for the preceding month.
2. Each report must be accompanied by the amount of tax which is due for the month covered by the report.
3. If the amount of tax required to be reported and paid pursuant to NRS 463.401 is later determined to be greater or less than the amount actually reported and paid, the commission shall:
  - (a) Charge and collect the additional tax determined to be due, with interest thereon until paid; or
  - (b) Refund any overpayment to the person entitled thereto pursuant to this chapter, with interest thereon.Interest is computed at the rate prescribed in NRS 17.130 from the first day of the first month following either the due date of the additional tax or the date of overpayment until paid.  
(Added to NRS by 1965, 1469; A 1967, 981, 1375; 1975, 1144; 1979, 1559; 1981, 682, 1099; 1983, 563; 1985, 2140; 1991, 934; 1995, 206)

#### 463.404 Remittances must be deposited in state general fund; refunds of tax erroneously paid.

1. The tax imposed by NRS 463.401 must be paid in the form of remittances payable to the Nevada gaming commission. The commission shall transmit the payment to the state treasurer to be deposited to the credit of the general fund.
2. Refunds of tax erroneously paid may be made, upon the approval of the commission, as other claims against the state are paid.  
(Added to NRS by 1965, 1469; A 1995, 206)

#### 463.4045 Refund of overpayment.

1. Subject to the provisions of subsection 2, a gaming licensee who overpays the casino entertainment tax is entitled to a refund only if the amount of the overpayment was not added to or included in the price which the licensee charged to patrons. If the amount of the overpayment was so added or included, any refund of the amount must be paid to the respective patrons who originally paid the amount. If there is no actual proof of payment by a patron who originally paid the amount, his portion of the overpayment must be retained in the state general fund.
2. If a gaming licensee prevails in an administrative or judicial proceeding contesting payment of the casino entertainment tax and is not otherwise entitled to a refund, he is nevertheless entitled to a refund of his overpayment to the extent of costs and reasonable attorney's fees incurred in contesting the payment. Such costs and fees may not exceed the amount of the overpayment.  
(Added to NRS by 1979, 1558)

#### 463.405 Records of receipts: Maintenance; inspection.

1. Every person required to pay or conducting activities subject to the tax imposed by NRS 463.401 shall keep accurate and detailed records of all receipts from admission, food, merchandise or refreshment for not less than 5 years from the date of sale.
2. All records required to be maintained by subsection 1 must be made available to the board and the commission for the purpose of audit and investigation.
3. Any agreement that is entered into, modified or extended after June 30, 1981, for the lease, assignment or transfer of any premises upon which any activity subject to the casino entertainment tax is, or thereafter may be, conducted shall be deemed to include a provision that the licensee required to pay the tax must be allowed access to, upon demand, all books, records and financial papers held by the lessee, assignee or transferee which must be kept pursuant to subsection 1.  
(Added to NRS by 1965, 1469; A 1967, 981; 1977, 1438; 1979, 1559; 1981, 1099)

#### 463.4055 Ticket for admission to certain establishments must indicate whether tax is included in price of ticket.

Any ticket for admission to a cabaret, nightclub, cocktail lounge or casino showroom must state whether the casino entertainment tax is included in the price of the ticket. If the ticket does not include such a statement, the licensed gaming establishment shall pay the casino entertainment tax on the face amount of the ticket.

(Added to NRS by 1995, 1799)

#### 463.406 Penalties.

1. Any licensee who willfully fails to report, pay or truthfully account for the tax imposed by NRS 463.401 is:

(a) Liable for a penalty in the amount of the tax evaded or not paid, to be assessed and collected in the same manner as other charges, taxes, licenses and penalties under this chapter; and

(b) Subject to the revocation of his gaming license by the commission.

2. Any person conducting activities subject to the tax imposed by NRS 463.401 who fails to maintain or disclose his records pursuant to subsection 3 of NRS 463.405, is liable to the licensee for any penalty paid by the licensee for late payment or nonpayment of the tax caused by the failure to maintain or disclose records.

(Added to NRS by 1965, 1469; A 1981, 1100)

## **PERMITS FOR HOLIDAYS AND SPECIAL EVENTS**

#### 463.408 Application; fee; conditions and limitations.

1. As used in this section, "holidays or special events" refers to periods during which the influx of tourist activity in this state or any area thereof may require additional or alternative industry accommodation as determined by the board.

2. Any licensee holding a valid license under this chapter may apply to the board, on application forms prescribed by the board, for a holiday or special event permit to:

(a) Increase the licensee's game operations during holidays or special events; or

(b) Provide persons who are attending a special event with gaming in an area of the licensee's establishment to which access by the general public may be restricted.

3. The application must be filed with the board at least 15 days before the date of the holiday or special event.

4. If the board approves the application, it shall issue to the licensee a permit to operate presently existing games or any additional games in designated areas of the licensee's establishment. The number of additional games must not exceed 50 percent of the number of games operated by the licensee at the time the application is filed. The permit must state the period for which it is issued and the number, if any, of additional games allowed. For purposes of computation, any fractional game must be counted as one full game. The licensee shall present any such permit on the demand of any inspecting agent of the board or commission.

5. Before issuing any permit, the board shall charge and collect from the licensee a fee of \$14 per game per day for each day the permit is effective. The fees are in lieu of the fees required under NRS 463.380, 463.383 and 463.390.

6. The additional games allowed under a permit must not be counted in computing the casino entertainment tax under NRS 463.401.

7. If any such additional games are not removed at the time the permit expires, the licensee is immediately subject to the fees provided for in this chapter.

(Added to NRS by 1969, 510; 1975, 166; 1987, 617; 1993, 313)

## **GAMES OPERATED BY CHARITABLE OR EDUCATIONAL OPERATIONS**

#### 463.409 Approval by board of game operated by charitable organization; conditions; exceptions.

Except as otherwise provided in NRS 463.4091 to 463.40965, inclusive, the board may approve the operation of a game or games by a charitable or educational organization subject to such conditions and

limitations as the board may impose, but no such approval shall be given by the board for the operation of a game or games for more than one event or function conducted or sponsored by one charitable or educational organization during any 1 calendar quarter.  
(Added to NRS by 1969, 465; A 1993, 1162)

## **CHARITABLE BINGO GAMES OPERATED BY QUALIFIED OPERATIONS**

### **463.4091 Definitions.**

As used in NRS 463.4091 to 463.40965, inclusive, unless the context otherwise requires, the words and terms defined in NRS 463.40915 to 463.4093, inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by 1993, 1159)

### **463.40915 "Calendar quarter" defined.**

"Calendar quarter" means a period of 3 consecutive months commencing on the first day of January, April, July or October in any year.

(Added to NRS by 1993, 1159)

### **463.4092 "Charitable or nonprofit activity" defined.**

"Charitable or nonprofit activity" means an activity in support of the arts, amateur athletics, peace officers or health or social services, or conducted for any benevolent, civic, educational, eleemosynary, fraternal, humanitarian, patriotic, political or religious purpose, including the operation of a qualified organization.

(Added to NRS by 1993, 1159)

### **463.40925 "Net proceeds" defined.**

"Net proceeds" means the total amount of money collected from charitable bingo games, less the total amount of money expended for prizes, supplies, advertising, promotion, printing, administration and other direct expenses necessary to operate charitable bingo.

(Added to NRS by 1993, 1159)

### **463.4093 "Qualified organization" defined.**

"Qualified organization" means a bona fide charitable, civic, educational, fraternal, patriotic, political, religious or veterans' organization that is not operated for profit.

(Added to NRS by 1993, 1159)

### **463.40935 Administration of provisions by board and commission; adoption of regulations.**

1. The board and commission shall administer the provisions of NRS 463.4091 to 463.40965, inclusive, for the protection of the public and in the public interest in accordance with the policy of this state.
2. The commission, upon the recommendation of the board, may adopt such regulations as it deems desirable to enforce the provisions of NRS 463.4091 to 463.40965, inclusive, pursuant to the procedure set forth in NRS 463.145.

(Added to NRS by 1993, 1159)

### **463.4094 Requirements for operation of charitable bingo game without gaming license.**

A qualified organization may operate a charitable bingo game without obtaining a license pursuant to NRS 463.160 if:

1. The organization is approved by the executive director and the total value of all the prizes offered in charitable bingo games operated by the organization during the same calendar year does not exceed \$500,000;
2. The organization registers with the executive director and the total value of all the prizes offered in charitable bingo games operated by the organization during the same calendar year does not exceed \$50,000; or

3. The total value of the prizes offered in the charitable bingo games does not exceed \$2,500 per calendar quarter.  
(Added to NRS by 1993, 1160)

463.40945 Registration and approval of qualified organization: Duties of executive director; revocable privilege; expiration.

1. The executive director shall:

(a) Register a qualified organization that complies with the requirements of NRS 463.4095.

(b) Approve a qualified organization if:

(1) The organization complies with the requirements of NRS 463.4095; and

(2) The executive director determines that the approval of the organization would not be contrary to the public interest.

(c) Provide a qualified organization, within 60 days after its submission of an application pursuant to NRS 463.4095, with written notification of the basis for any refusal by the executive director to register or approve the qualified organization pursuant to this section.

2. The registration or approval of a qualified organization is a revocable privilege. No person has any right to be registered or approved by the executive director or acquires any vested right upon being registered or approved by the executive director.

3. Unless earlier revoked, the registration or approval of a qualified organization is valid for the calendar year and expires on December 31.

(Added to NRS by 1993, 1160)

463.4095 Requirements for registration and approval of executive director.

1. To register with or request the approval of the executive director, a qualified organization must submit to him:

(a) A written application containing:

(1) The name, address and nature of the organization.

(2) Proof that the organization is a qualified organization.

(3) The names of the officers or principals of the organization, and of any person responsible for the management, administration or supervision of the organization's charitable bingo games and any activities related to those bingo games.

(4) A description of all the prizes to be offered in charitable bingo games operated by the organization during the calendar year to which the application pertains and, if the approval of the executive director is required, a summary of the anticipated expenses of conducting those bingo games, including copies of any proposed agreements between the organization and any suppliers of material for the operation of those bingo games.

(5) A description of the intended use of the net proceeds of charitable bingo games operated by the organization during the calendar year to which the application pertains.

(6) The address of the location where charitable bingo games will be conducted by the organization during the calendar year to which the application pertains.

(7) A statement that charitable bingo games will be conducted in accordance with standards of honesty and integrity applicable to licensed bingo games in this state.

(8) Any other information the executive director deems appropriate.

(b) A nonrefundable fee of:

(1) For registration, \$10; or

(2) For a request for approval, \$25.

(c) If the qualified organization requests approval of the executive director, it must submit the fingerprints of its officers, principals and persons responsible for management of the bingo games, on forms approved by the executive director and must reimburse the board for its costs incurred in submitting the fingerprints for review.

2. A qualified organization shall submit such additional information as necessary to correct or complete any information submitted pursuant to this section that becomes inaccurate or incomplete. The approval of a qualified organization is suspended during the period that any of the information is inaccurate or incomplete. The executive director may reinstate the approval of the organization only after all information has been corrected and completed.

3. The money collected pursuant to this section must be expended to administer and enforce the provisions of NRS 463.4091 to 463.40965, inclusive.  
(Added to NRS by 1993, 1160)

463.40955 Commission may require finding of suitability.

1. The commission may, upon recommendation of the board, require:

(a) A qualified organization that registers with or requests the approval of the executive director to file an application pursuant to this chapter for a finding of suitability to operate charitable bingo in this state.

(b) Any person who is employed by, a member of, a supplier of or otherwise associated with such an organization to file an application pursuant to this chapter for a finding of suitability to be associated with the operation of charitable bingo in this state.

2. The commission may revoke the registration or approval of a qualified organization if:

(a) An application for a finding of suitability is not submitted to the board within 30 days after the qualified organization receives written notice that it is required pursuant to paragraph (a) of subsection 1 to file an application for a finding of suitability.

(b) The qualified organization is found unsuitable to operate charitable bingo in this state.

(c) A complete application for a finding of suitability is not submitted to the board or the association of the person with the organization is not terminated, within 30 days after the qualified organization receives written notice that an associated person is required pursuant to paragraph (b) of subsection 1 to file an application for a finding of suitability.

(d) The associated person is found unsuitable to be associated with the operation of charitable bingo in this state and the qualified organization does not terminate its association with that person within 30 days after receiving written notice of the finding of unsuitability. Every contract or agreement for personal services to a qualified organization or for the conduct of any activity relating to the operation of charitable bingo shall be deemed to include a provision for its termination without liability on the part of the qualified organization upon a finding by the commission that the person is unsuitable to be associated with a qualified organization. Failure expressly to include such a condition in the agreement is not a defense in any action brought pursuant to this section to terminate the agreement.

(Added to NRS by 1993, 1161)

463.4096 Prohibited acts concerning compensation of employees of qualified organizations and other persons.

A qualified organization shall not:

1. Compensate any person for the provision of prizes and supplies used in the operation of charitable bingo in an amount that exceeds the fair market value of the prizes and supplies necessary for the operation of charitable bingo.

2. Provide:

(a) Any compensation to a person who is not a regular employee of the organization; and

(b) Any additional compensation to a person who is a regular employee of the organization, for his services in organizing or operating charitable bingo or assisting in the organization or operation of charitable bingo. This subsection does not prohibit a qualified organization from compensating a person for the fair market value of services that are ancillary to the organization or operation of charitable bingo.

(Added to NRS by 1993, 1162)

463.40965 Reporting and expenditure of net proceeds of charitable bingo.

1. A qualified organization shall expend the net proceeds of charitable bingo only for the benefit of charitable or nonprofit activities in this state.

2. On or before February 1 of each year, a qualified organization approved by the executive director shall submit to the executive director a financial report on its charitable bingo activities for the preceding calendar year. The financial report must include a statement of:

(a) The expenses incurred in the operation of charitable bingo games; and

(b) The amount and use of the net proceeds of charitable bingo games.

(Added to NRS by 1993, 1162)

## **TRANSPORTATIONS OF GAMING DEVICES IN INTERSTATE COMMERCE**

463.410 Exemption of state from operation of 15 U.S.C. § 1172.

Pursuant to section 2 of that certain Act of the Congress of the United States entitled "An act to prohibit transportation of gambling devices in interstate and foreign commerce," approved January 2, 1951, being c. 1194, 64 Stat. 1134, and also designated as 15 U.S.C. §§ 1171-1177, the State of Nevada, acting by and through its duly elected and qualified members of its legislature, does hereby in this section, and in accordance with and in compliance with the provisions of section 2 of such Act of Congress, declare and proclaim that it is exempt from the provisions of section 2 of that certain Act of the Congress of the United States entitled "An act to prohibit transportation of gambling devices in interstate and foreign commerce," approved January 2, 1951, being c. 1194, 64 Stat. 1134.

[1:97:1951]

463.420 Legal shipments of gambling devices into state.

All shipments of gambling devices, including slot machines, into this state, the registering, recording and labeling of which has been duly had by the manufacturer or dealer thereof in accordance with sections 3 and 4 of that certain Act of the Congress of the United States entitled "An act to prohibit transportation of gambling devices in interstate and foreign commerce," approved January 2, 1951, being c. 1194, 64 Stat. 1134, and also designated as 15 U.S.C. §§ 1171-1177, shall be deemed legal shipments thereof into this state.

[2:97:1951]

## **DISSEMINATION OF LIVE BROADCASTS FOR RACING**

463.421 Definitions.

As used in NRS 463.421 to 463.427, inclusive, unless the context otherwise requires, the words and terms defined in NRS 463.4212 to 463.4218, inclusive, have the meanings ascribed to them in those sections. (Added to NRS by 1987, 1779)

463.4212 "Live broadcast" defined.

"Live broadcast" means an audio and video transmission of a race, or series of races, as it occurs at a track and which is furnished by a disseminator to a user for a fee.

(Added to NRS by 1987, 1779)

463.4214 "Racing meet" defined.

"Racing meet" means a series of scheduled races held at a track for a specified period.

(Added to NRS by 1987, 1779)

463.4216 "Track" defined.

"Track" means a facility licensed to operate horse or other racing where pari-mutuel wagering on races is conducted.

(Added to NRS by 1987, 1779)

463.4218 "User" defined.

"User" means an operator of a race book, sports pool or gambling game who is licensed in this state and receives and displays a live broadcast within this state and uses information contained in the broadcast to determine winners of or payoffs on wagers he accepts.

(Added to NRS by 1987, 1779)

463.422 Proposal by disseminator for exclusive right to disseminate live broadcast for racing meet; determination of necessity of hearing; notice; determination without hearing.

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 receives such a notice, the board shall give written notice to 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 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 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.
4. All notices given by the board pursuant to this section must contain all information the commission, with the advice and assistance of the board, may prescribe by regulation.  
(Added to NRS by 1987, 1779; A 1991, 1844)

#### 463.423Hearing panel: Appointment; qualifications; expenses; agreements for services; additional personnel.

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.  
(Added to NRS by 1987, 1779; A 1991, 1844)

#### 463.424Procedure at hearing; submission of recommendation to board; action on recommendation; regulations for contents of proposals.

1. The hearing panel shall keep a record of the hearing and allow any disseminator or user to present oral or written testimony at the hearing.
2. At the hearing each interested disseminator shall present a proposal for the exclusive right to disseminate a live broadcast to users.
3. A user may present evidence in support of or in opposition to any proposal presented by a disseminator, except that a user may not offer an opinion as to which disseminator the panel should recommend to the board.
4. Within 10 days after the hearing is completed, the hearing panel shall select the proposal of one disseminator from the proposals presented at the hearing and submit to the board the name of that disseminator as its recommendation.
5. The board may accept or reject the recommendation of the hearing panel. If the board rejects the recommendation, it may select any other disseminator who presented a proposal at the hearing, or may reject all proposals presented at the hearing.
6. The commission, with the advice and assistance of the board, shall adopt regulations prescribing the information and documentation each disseminator must include in his proposal.  
(Added to NRS by 1987, 1779)

#### 463.425Administrative review of decision of board.

1. Any disseminator who presents a proposal or user who presents evidence at the hearing conducted pursuant to NRS 463.424 may appeal the decision of the board. The aggrieved party must file a petition with the commission within 10 days after the board issues its decision.

2. The party seeking the review bears the burden of proof. The commission's review must be confined to the record and is limited solely to a consideration and determination of the question of whether there has been an abuse of discretion by the board in its decision.
  3. The decision of the commission is final and is not subject to judicial review.
- (Added to NRS 1987, 1780)

463.426 Powers of board. 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 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.

(Added to NRS by 1987, 1780)

463.427 Unauthorized use or dissemination of live broadcast prohibited.

No live broadcast may be used or disseminated unless the rights for that broadcast have been secured by a disseminator authorized by the board pursuant to NRS 463.424.

(Added to NRS by 1987, 1780)

463.430 Unlawful to disseminate information without license; exceptions.

1. It is unlawful for any person in this state to receive, supply or disseminate in this state by any means information received from any source outside of this state concerning racing, when the information is to be used to maintain and operate any gambling game and particularly any race book, except off-track pari-mutuel wagering for which the user is licensed pursuant to chapter 464 of NRS, without first having obtained a license so to do as provided in NRS 463.430 to 463.480, inclusive.

2. The provisions of this section do not apply to:

(a) Any person who provides a televised broadcast which is presented without charge to any person who receives the broadcast.

(b) Any licensee who has been issued a gaming license and receives from or supplies to any affiliated licensee, by means of a computerized system for bookmaking used by the licensee and the affiliated licensee, information concerning racing.

3. For the purposes of this section:

(a) Any broadcasting or display of information concerning racing held at a track which uses the pari-mutuel system of wagering is an incident of maintaining and operating a race book.

(b) "Affiliated licensee" means any person to whom a valid gaming license or pari-mutuel wagering license has been issued that directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, a licensee.

[1:152:1949; 1943 NCL § 6227.01]--(NRS A 1983, 1035, 1894; 1985, 2140; 1989, 1097)

463.440 Regulation and control of dissemination of information: Public policy of state; power of commission; regulations.

1. In addition to the state policy concerning gaming as set forth in NRS 463.0129, the legislature hereby finds, and declares to be the public policy of this state concerning activities and information related to wagering on races held at a track which uses the pari-mutuel system of wagering that:

(a) All persons licensed to operate and maintain a sports pool or race book are entitled to receive on a fair and equitable basis all information concerning such racing that is being disseminated into and within this state.

(b) In order to protect the health, safety, morals, good order and general welfare of the public, all persons, associations, locations, practices and activities related to the dissemination and use of information concerning such racing should be controlled, supervised and properly licensed.

2. In accordance with reasonable regulations which may be adopted, amended or repealed by the commission, the commission has the power and jurisdiction:

(a) To regulate and control the business of supplying and disseminating information by such means

concerning racing held at a track which uses the pari-mutuel system of wagering.

(b) To issue, condition, limit and restrict licenses to such disseminators.

(c) To suspend, revoke, condition or limit such licenses or impose fines in accordance with NRS 463.310.

(d) To prescribe the manner, terms and conditions for receiving, supplying or disseminating in this state information concerning such racing.

3. The commission is empowered to adopt, amend and repeal such regulations as may be necessary for the orderly administration of NRS 463.430 to 463.480, inclusive, and for the protection of the public and in the public interest.

[2:152:1949; 1943 NCL § 6227.02]--(NRS A 1959, 455; 1983, 1036; 1985, 2141)

463.445 Control of rates charged by disseminator; report of financial information.

1. Except as otherwise provided in subsection 3, the commission shall 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.

(Added to NRS by 1983, 1036; A 1985, 2141; 1987, 1781)

463.450 Fees: Collection; overpayment or underpayment; deposit to credit of state general fund.

1. Any disseminator of such information obtaining a license under NRS 463.430 to 463.480, inclusive, shall pay to the commission a fee of \$10 per day for each day for each race book to which the supplier or disseminator furnishes such information in this state.

2. The commission shall collect the fee on or before the 10th day of each month for the preceding calendar month.

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

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

(b) Refund any overpaid fees to the person entitled thereto pursuant to this chapter, with interest thereon. Interest is computed at the rate prescribed in NRS 17.130 from the first day of the first month following either the due date of the additional license fees or the date of overpayment until paid.

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

[3:152:1949; 1943 NCL § 6227.03]--(NRS A 1959, 455; 1991, 934; 1995, 206)

463.460 Licensee to furnish information without discrimination.

Any disseminator of such information obtaining a license under NRS 463.430 to 463.480, inclusive, shall furnish such information to any licensed race book or sports pool which applies to the disseminator therefor, and the information must be furnished by the disseminator as adequately and efficiently as it is furnished to any other users of the information furnished by the disseminator.

[4:152:1949; 1943 NCL § 6227.04]--(NRS A 1985, 2142)

463.480 Penalty.

A person, firm, association or corporation, or any of their officers or agents, who violates any of the provisions of NRS 463.430 to 463.460, inclusive, is guilty of a category C felony and shall be punished as provided in NRS 193.130.

[7:152:1949; 1943 NCL § 6227.07]--(NRS A 1967, 587; 1981, 1100; 1995, 1295)

# LICENSING OF CORPORATIONS, LIMITED PARTNERSHIPS, LIMITED-LIABILITY COMPANIES AND OTHER SIMILAR ORGANIZATIONS

## GENERAL PROVISIONS

### 463.482 Definitions.

As used in NRS 463.160 to 463.170, inclusive, 463.368, 463.386 and 463.482 to 463.645, inclusive, unless the context otherwise requires, the words and terms defined in NRS 463.4825 to 463.488, inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by 1969, 365; A 1977, 1438; 1979, 1528; 1981, 1100; 1985, 1476; 1987, 1743; 1989, 400; 1993, 2003)

### 463.4825 "Affiliated company" defined.

"Affiliated company" means a subsidiary company, holding company, intermediate company or any other form of business organization that:

1. Controls, is controlled by or is under common control with a licensee which is a corporation or limited-liability company; and
2. Is involved in gaming activities in this state or involved in the ownership of property in this state upon which gaming is conducted.

(Added to NRS by 1981, 1067; A 1993, 2004)

### 463.483 "Director" defined.

"Director" means any director of a corporation or any person performing similar functions with respect to any organization.

(Added to NRS by 1969, 365)

### 463.484 "Equity security" defined.

"Equity security" means:

1. Any voting stock of a corporation, or similar security;
2. Any security convertible, with or without consideration, into such a security, or carrying any warrant or right to subscribe to or purchase such a security;
3. Any such warrant or right; or
4. Any security having a direct or indirect participation in the profits of the issuer.

(Added to NRS by 1969, 365)

### 463.4845 "General partner" defined.

"General partner" means any general partner of a limited partnership or any person performing similar functions.

(Added to NRS by 1979, 1520)

### 463.485 "Holding company" defined.

1. "Holding company" means any corporation, firm, partnership, limited partnership, limited-liability company, trust or other form of business organization not a natural person which, directly or indirectly:

- (a) Owns;
- (b) Has the power or right to control; or
- (c) Holds with power to vote,

any part of the limited partnership interests, interests in a limited-liability company or outstanding voting securities of a corporation which holds or applies for a license.

2. For the purposes of this section, in addition to any other reasonable meaning of the words used, a holding company "indirectly" has, holds or owns any power, right or security mentioned in subsection 1 if it does so through any interest in a subsidiary or successive subsidiaries, however many such subsidiaries may intervene between the holding company and the corporation, limited partnership or limited-liability

company which holds or applies for a license.  
(Added to NRS by 1969, 366; A 1987, 618; 1993, 2004)

463.4855"Interest in a limited-liability company" defined.

"Interest in a limited- liability company" means a member's share of the profits and losses of a limited-liability company and the right to receive distributions of the company's assets.

(Added to NRS by 1993, 1993)

463.486"Intermediary company" defined.

"Intermediary company" means any corporation, firm, partnership, limited partnership, limited-liability company, trust or other form of business organization other than a natural person which:

1. Is a holding company with respect to a corporation, limited partnership or limited-liability company which holds or applies for a license; and
2. Is a subsidiary with respect to any holding company.

(Added to NRS by 1969, 366; A 1987, 618; 1993, 2004)

463.4862"Limited-liability company" defined.

"Limited-liability company" means a limited-liability company organized and existing pursuant to the provisions of chapter 86 of NRS.

(Added to NRS by 1993, 1993)

463.4863"Limited partner" defined.

"Limited partner" means any limited partner of a limited partnership or any other person having similar rights.

(Added to NRS by 1979, 1520)

463.4864"Limited partnership" defined.

"Limited partnership" means a partnership formed by two or more persons pursuant to the terms of chapter 88 of NRS, having as members one or more general partners and one or more limited partners.

(Added to NRS by 1979, 1521)

463.4865"Limited partnership interest" defined.

"Limited partnership interest" means the right of a general or limited partner to receive from a limited partnership:

1. A share of the profits;
  2. Any other compensation by way of income; or
  3. A return of any or all of his contribution to capital of the limited partnership,
- or the right to exercise any of the rights or powers provided in chapter 88 of NRS, whether directly or indirectly.

(Added to NRS by 1979, 1521; A 1985, 1296)

463.4866"Manager" defined.

"Manager" means a person elected by the members of a limited- liability company to manage the company pursuant to NRS 86.291.

(Added to NRS by 1993, 1993)

463.4867"Member" defined.

"Member" means a person who owns an interest in a limited- liability company.

(Added to NRS by 1993, 1993)

463.487"Publicly traded corporation" defined.

1. "Publicly traded corporation" means:

(a) Any corporation or other legal entity except a natural person which:

(1) Has one or more classes of securities registered pursuant to section 12 of the Securities Exchange Act of 1934, as amended (15 U.S.C. § 781);

(2) Is an issuer subject to section 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. § 78o); or

(3) Has one or more classes of securities exempted from the registration requirements of section 5 of the Securities Act of 1933, as amended (15 U.S.C. § 77e), solely by reason of an exemption contained in section 3(a)10, 3(a)11 or 3(c) of the Securities Act of 1933, as amended (15 U.S.C. §§ 77c(a)(10), 77c(a)(11) and 77c(c), respectively) or 17 C.F.R. §§ 230.251 et seq.

(b) Any corporation or other legal entity created under the laws of a foreign country:

(1) Which has one or more classes of securities registered on that country's securities exchange or over-the-counter market; and

(2) Whose activities have been found by the commission to be regulated in a manner which protects the investors and the State of Nevada.

2. The term does not include any corporation or other legal entity which has securities registered or is an issuer pursuant to paragraph (a) of subsection 1 solely because it:

(a) Guaranteed a security issued by an affiliated company pursuant to a public offering; or

(b) Is considered by the Securities and Exchange Commission to be a coissuer of a public offering of securities pursuant to 17 C.F.R. § 230.140.

(Added to NRS by 1969, 366; A 1975, 693; 1985, 1476; 1991, 935)

463.488"Subsidiary" defined.

"Subsidiary" means:

1. A corporation any part of whose outstanding equity securities are:

(a) Owned;

(b) Subject to a power or right of control; or

(c) Held with power to vote,

by a holding company or intermediary company; or

2. A firm, partnership, limited partnership, limited-liability company, trust or other form of business organization not a natural person, any interest in which is:

(a) Owned;

(b) Subject to a power or right of control; or

(c) Held with power to vote,

by a holding company or intermediary company.

(Added to NRS by 1969, 366; A 1993, 2004)

## **CORPORATIONS GENERALLY**

463.489Policy of state; waiver of requirements.

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

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

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

(c) To restrain any speculative promotion of the stock or other securities of gaming enterprises.

2. The commission may waive, either selectively or by general regulation, one or more of the requirements of NRS 463.482 to 463.645, inclusive, if it makes a written finding that such waiver is consistent with the state policy set forth in NRS 463.0129 and this section.

(Added to NRS by 1969, 365; A 1975, 694)

463.490Qualifications for state gaming license for corporations other than publicly traded corporations.

In order to be eligible to receive a state gaming license, a corporation, other than a publicly traded corporation, must:

1. Be incorporated:

(a) In the State of Nevada, although the corporation may be a wholly or partly owned subsidiary of a corporation which is chartered in another state of the United States; or

(b) In another state of the United States, if all persons having any direct or indirect interest of any nature in the corporation are licensed as required by NRS 463.530 and any applicable regulations of the commission;

2. Maintain an office of the corporation on the licensed premises;

3. Comply with all of the requirements of the laws of the State of Nevada pertaining to corporations; and

4. Maintain a ledger in the principal office of the corporation in Nevada, which shall:

(a) At all times reflect the ownership of every class of security issued by the corporation; and

(b) Be available for inspection by the board, commission and their authorized agents, at all reasonable times without notice.

(Added to NRS by 1967, 1586; A 1969, 374; 1993, 187)

463.500Eligibility of Nevada and foreign corporations; approval by commission of articles of incorporation of Nevada corporation.

Repealed. (See chapter 139, Statutes of Nevada 1995, at page 208.)

463.510Prior approval by commission of disposition of securities by corporations other than publicly traded corporations; restrictions on unsuitable persons; statement on certificate.

1. The purported sale, assignment, transfer, pledge or other disposition of any security issued by a corporation, other than a publicly traded corporation, which holds a state gaming license or granting of an option to purchase such a security is void unless approved in advance by the commission.

2. If at any time the commission finds that an individual owner of any such security is unsuitable to continue as a gaming licensee in this state, the owner shall immediately offer the security to the issuing corporation for purchase. The corporation shall purchase the security so offered, for cash at fair market value, within 10 days after the date of the offer.

3. Beginning upon the date when the commission serves notice of a determination of unsuitability pursuant to subsection 2 upon the corporation, it is unlawful for the unsuitable owner:

(a) To receive any dividend or interest upon any such security;

(b) To exercise, directly or through any trustee or nominee, any voting right conferred by such security; or

(c) To receive any remuneration in any form from the corporation, for services rendered or otherwise.

4. Every security issued by a corporation, other than a publicly traded corporation, which holds a gaming license must bear a statement, on both sides of the certificate evidencing the security, of the restrictions imposed by this section.

(Added to NRS by 1967, 1586; A 1969, 374; 1983, 743; 1993, 187)

463.520Registration with board by corporations other than publicly traded corporations; required information.

A corporation, other than a publicly traded corporation, which applies for a state gaming license shall register as a corporation with the board, and shall provide the following information to the board:

1. The organization, financial structure and nature of the business to be operated, including the names, personal history and fingerprints of all officers, directors and key employees, and the names, addresses and number of shares held by all stockholders.

2. The rights and privileges acquired by the holders of different classes of authorized securities, including debentures.

3. The terms on which securities are to be offered.

4. The terms and conditions of all outstanding loans, mortgages, trust deeds, pledges or any other indebtedness or security device.

5. The extent of the equity security holding in the corporation of all officers, directors and underwriters, and their remuneration as compensation for services, in the form of salary, wages, fees or otherwise.

6. Remuneration to persons other than directors and officers exceeding \$30,000 per annum.

7. Bonus and profit-sharing arrangements.

8. Management and service contracts.

9. Options existing, or to be created.

10. Balance sheets for at least 3 preceding fiscal years, or, if the corporation has not been incorporated for a period of 3 years, balance sheets from the time of its incorporation. All balance sheets shall be certified by independent public accountants certified or registered in the State of Nevada.

11. Profit and loss statements for at least the 3 preceding fiscal years, or, if the corporation has not been incorporated for a period of 3 years, profit and loss statements from the time of its incorporation. All profit and loss statements shall be certified by independent public accountants certified or registered in the State of Nevada.

12. Any further financial data which the board may deem necessary or appropriate for the protection of the State of Nevada, or licensed gambling, or both.

(Added to NRS by 1967, 1587; A 1969, 375; 1971, 673; 1993, 188)

463.530 Individual licensing of officers and directors of corporations other than publicly traded corporations; other persons required to be licensed individually.

All officers and directors of a corporation, other than a publicly traded corporation, which holds or applies for a state gaming license must be licensed individually, according to the provisions of this chapter, and if, in the judgment of the commission, the public interest will be served by requiring any or all of the corporation's individual stockholders, lenders, holders of evidence of indebtedness, underwriters, key executives, agents or employees to be licensed, the corporation shall require those persons to apply for a license in accordance with the laws and requirements in effect at the time the commission requires the licensing. A person who is required to be licensed by this section shall apply for a license within 30 days after he becomes an officer or director. A person who is required to be licensed pursuant to a decision of the commission shall apply for a license within 30 days after the commission requests him to do so.

(Added to NRS by 1967, 1587; A 1969, 375; 1977, 1438; 1993, 188)

463.540 Limitation on certain powers of corporations other than publicly traded corporations after licensing; approval of commission.

After licensing pursuant to NRS 463.170, a corporation, other than a publicly traded corporation:

1. Before it may issue or transfer any security to any person, shall file a report of its proposed action with the board and commission, which report must request the approval of the commission. The commission shall have 90 days within which to approve or deny the request. If the commission denies the request, the corporation shall not issue or transfer any such security.

2. Shall file a report of each change of the corporate officers and the members of its board of directors with the board and commission within 30 days after the change becomes effective. The commission has 90 days within which to approve or disapprove the change. During the 90-day period and thereafter if the commission does not disapprove the change, the officer or member of the board of directors is entitled to exercise all powers of the office to which he was so elected or appointed.

(Added to NRS by 1967, 1588; A 1971, 675; 1993, 189, 314)

463.550 Required reports and statements; income tax return.

1. After licensing pursuant to NRS 463.530, the corporation shall:

(a) Report to the board and commission in writing any change in corporate personnel who have been designated by the board or commission as key executives.

(b) Furnish the board an annual profit and loss statement and an annual balance sheet.

2. The commission may require that any such corporation furnish the board with a copy of its federal income tax return within 30 days after such return is filed with the Federal Government.

(Added to NRS by 1967, 1588; A 1971, 675)

463.560 Termination of employment of employee found unsuitable or whose license is denied or revoked; licensing of successor.

1. If an employee of a corporate licensee who is required to be licensed individually:

(a) Does not apply for a license within 30 days after the commission requests him to do so, and the commission makes a finding of unsuitability for that reason;

(b) Is denied a license; or

(c) Has his license revoked by the commission,

the corporate gaming licensee by whom he is employed shall terminate his employment in any capacity in which he is required to be licensed and shall not permit him to exercise a significant influence over the operation of the gaming establishment upon being notified by registered or certified mail of that action.

2. If the corporate licensee designates another employee to replace the employee whose employment was terminated, it shall promptly notify the commission and shall cause the newly designated employee to apply for a gaming license.

(Added to NRS by 1967, 1588; A 1969, 376; 1977, 1438; 1981, 1065)

## **LIMITED PARTNERSHIPS - GENERALLY**

463.563 Policy of state; waiver of requirements.

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. 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.

(Added to NRS by 1979, 1521)

463.564 Qualifications for state gaming license.

In order to be eligible to receive a state gaming license, a limited partnership shall:

1. Be formed under the laws of this state;

2. Maintain an office of the limited partnership on the licensed premises;

3. Comply with all of the requirements of the laws of this state pertaining to limited partnerships; and

4. Maintain a ledger in the principal office of the limited partnership in this state, which must:

(a) At all times reflect the ownership of all interests in the limited partnership; and

(b) Be available for inspection by the board, commission and their authorized agents, at all reasonable times without notice.

(Added to NRS by 1979, 1521)

463.566 Eligibility.

No limited partnership is eligible to receive a state gaming license unless the conduct of gaming is among the purposes stated in its certificate of limited partnership.

(Added to NRS by 1979, 1521)

463.567 Prior approval by commission of disposition of interest; restrictions on unsuitable persons; statement on certificate.

1. The sale, assignment, transfer, pledge or other disposition of any interest in a limited partnership which holds a state gaming license is ineffective unless approved in advance by the commission.

2. If at any time the commission finds that an individual owner of any such interest is unsuitable to hold that interest, the commission shall immediately notify the limited partnership of that fact. The limited partnership shall, within 10 days from the date that it receives the notice from the commission, return to the unsuitable owner, in cash, the amount of his capital account as reflected on the books of the partnership.

3. Beginning on the date when the commission serves notice of a determination of unsuitability pursuant to subsection 2 upon the limited partnership, it is unlawful for the unsuitable owner:

(a) To receive any share of the profits or interest upon any limited partnership interest;

(b) To exercise, directly or through any trustee or nominee, any voting right conferred by such interest; or

(c) To receive any remuneration in any form from the limited partnership, for services rendered or otherwise.

4. The certificate of limited partnership of any limited partnership holding a state gaming license must

contain a statement of the restrictions imposed by this section.  
(Added to NRS by 1979, 1521)

#### 463.568 Registration with board; required information.

The limited partnership which applies for a state gaming license shall register as a limited partnership with the board, and shall provide the following information to the board:

1. The organization, financial structure and nature of the business to be operated, including the names, personal history and fingerprints of all general partners and key employees, and the name, address and interest of each limited partner.
2. The rights, privileges and relative priorities of limited partners as to the return of contributions to capital, and the right to receive income.
3. The terms on which limited partnership interests are to be offered.
4. The terms and conditions of all outstanding loans, mortgages, trust deeds, pledges or any other indebtedness or security device.
5. The extent of the holding in the limited partnership of all underwriters, and their remuneration as compensation for services, in the form of salary, wages, fees or otherwise.
6. Remuneration to persons other than general partners exceeding \$30,000 per annum.
7. Bonus and profit-sharing arrangements.
8. Management and service contracts.
9. Options existing, or to be created.
10. Balance sheets for at least the 3 preceding fiscal years, or, if the limited partnership has not been in existence for 3 years, balance sheets from the time of its formation. All balance sheets must be certified by independent public accountants certified or registered in this state.
11. Profit and loss statements for at least the 3 preceding fiscal years, or, if the limited partnership has not been in existence for 3 years, profit and loss statements from the time of its formation. All profit and loss statements must be certified by independent public accountants certified or registered in this state.
12. Any further financial data which the board may deem necessary or appropriate for the protection of the State of Nevada, or licensed gambling, or both.

(Added to NRS by 1979, 1522)

#### 463.569 Individual licensing of partners and other persons.

Every general partner and limited partner of a limited partnership which holds or applies for a state gaming license must be licensed individually, according to the provisions of this chapter, and if, in the judgment of the commission, the public interest will be served by requiring any or all of the limited partnership's lenders, holders of evidence of indebtedness, underwriters, key executives, agents or employees to be licensed, the limited partnership shall require those persons to apply for a license in accordance with the laws and requirements in effect at the time the commission requires the licensing. Publicly traded corporations which are limited partners of limited partnerships are not required to be licensed, but shall comply with NRS 463.635 to 463.645, inclusive. A person who is required to be licensed by this section as a general or limited partner shall not receive that position until he secures the required approval of the commission. A person who is required to be licensed pursuant to a decision of the commission shall apply for a license within 30 days after the commission requests him to do so.

(Added to NRS by 1979, 1522)

#### 463.571 Required reports and statements; income tax return.

1. After licensing pursuant to NRS 463.569, the limited partnership shall:
  - (a) Report to the board and commission in writing any change in personnel who have been designated by the board or commission as key executives.
  - (b) Furnish the board an annual profit and loss statement and an annual balance sheet.
2. The commission may require that any limited partnership furnish the board with a copy of its federal income tax return within 30 days after the return is filed with the Federal Government.

(Added to NRS by 1979, 1523)

463.572 Termination of employment of employee found unsuitable or whose license is denied or revoked; licensing of successor.

1. If an employee of a limited partnership licensee who is required to be licensed individually:

(a) Does not apply for a license within 30 days after the commission requests him to do so, and the commission makes a finding of unsuitability for that reason;

(b) Is denied a license; or

(c) Has his license revoked by the commission,

the limited partnership gaming licensee by whom he is employed shall terminate his employment upon notification by registered or certified mail to the limited partnership of that action.

2. If the limited partnership licensee designates another employee to replace the employee whose employment was terminated, it shall promptly notify the commission and cause the newly designated employee to apply for a gaming license.

(Added to NRS by 1979, 1523)

## LIMITED-LIABILITY COMPANIES GENERALLY

463.573 Policy of state; waiver of requirements.

1. The policy of the State of Nevada with respect to the issuance of licenses to limited-liability companies is:

(a) To broaden the opportunity for investment in gaming through the pooling of capital in limited-liability companies.

(b) To maintain effective control over the conduct of gaming by limited-liability companies.

(c) To restrain any speculative promotion of interests in a limited-liability company in gaming enterprises.

2. The commission may waive, either selectively or by general regulation, one or more of the requirements of NRS 463.5731 to 463.5737, 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.

(Added to NRS by 1993, 1993)

463.5731 Qualifications for state gaming license.

In order to be eligible to receive a license, a limited-liability company must:

1. Be formed under the laws of this state;

2. Maintain an office of the limited-liability company on the licensed premises;

3. Comply with all of the requirements of the laws of this state pertaining to limited-liability companies; and

4. Maintain a ledger in the principal office of the limited-liability company in this state, which must:

(a) At all times reflect the ownership of all interests in the limited-liability company; and

(b) Be available for inspection by the board, commission and their authorized agents, at all reasonable times without notice.

(Added to NRS by 1993, 1994)

463.5732 Eligibility for gaming license.

No limited-liability company is eligible to receive a license unless the conduct of gaming is among the purposes stated in its articles of organization.

(Added to NRS by 1993, 1994)

463.5733 Prior approval by commission of disposition of interest; restrictions on unsuitable persons; statement on certificate.

1. The sale, assignment, transfer, pledge or other disposition of any interest in a limited-liability company which holds a license is ineffective unless approved in advance by the commission.

2. If at any time the commission finds that a member is unsuitable to hold an interest in a limited-liability company, the commission shall immediately notify the limited-liability company of that fact. The limited-liability company shall, within 10 days after it receives the notice from the commission, return to the

member, in cash, the amount of his capital account as reflected on the books of the company.

3. Except as otherwise provided in subsection 2, beginning on the date when the commission serves notice of a determination of unsuitability pursuant to subsection 2 upon the limited-liability company, it is unlawful for the unsuitable member:

- (a) To receive any share of the distribution of profits of the limited-liability company or any payments upon dissolution of the company;
- (b) To exercise any voting right conferred by the member's interest in the limited-liability company;
- (c) To participate in the management of the limited-liability company; or
- (d) To receive any remuneration in any form from the limited-liability company, for services rendered or otherwise.

4. The articles of organization of any limited-liability company holding a license must contain a statement of the restrictions imposed by this section.

(Added to NRS by 1993, 1994)

#### 463.5734 Registration with board; required information.

A limited-liability company which applies for a license shall register as a limited-liability company with the board, and shall provide the following information to the board:

1. The organization, financial structure and nature of the business to be operated, including the names, personal history and fingerprints of each manager, member and key employee.
2. The rights, privileges and relative priorities of the members as to the return of contributions to capital and the right to receive distribution of profits.
3. The terms on which interests in the limited-liability company are to be offered.
4. The terms and conditions of all outstanding loans, mortgages, trust deeds, pledges and any other indebtedness or security device.
5. The extent of the holding in the limited-liability company of all underwriters, and their remuneration as compensation for services, in the form of salary, wages, fees or otherwise.
6. Remuneration to persons other than managers exceeding \$30,000 per annum.
7. Bonus and profit-sharing arrangements.
8. Management and service contracts.
9. Options existing, or to be created.
10. Balance sheets for at least the 3 preceding fiscal years, or, if the limited-liability company has not been in existence for 3 years, balance sheets from the time of its formation. All balance sheets must be certified by independent public accountants certified or registered in this state.
11. Profit and loss statements for at least the 3 preceding fiscal years, or, if the limited-liability company has not been in existence for 3 years, profit and loss statements from the time of its formation. All profit and loss statements must be certified by independent public accountants certified or registered in this state.
12. Any further financial data which the board may deem necessary or appropriate for the protection of the State of Nevada or licensed gambling, or both.

(Added to NRS by 1993, 1994)

#### 463.5735 Individual licensing of members, managers and other persons.

1. Every member, transferee of a member's interest in a limited-liability company and manager of a limited-liability company which holds or applies for a license must be licensed individually, according to the provisions of this chapter.

2. If, in the judgment of the commission, the public interest will be served by requiring any of the limited-liability company's lenders, holders of evidence of indebtedness, underwriters, key executives, agents or employees to be licensed:

- (a) The limited-liability company shall require those persons to apply for a license in accordance with the laws and requirements in effect at the time the commission requires the licensing; and
- (b) Those persons shall apply for a license within 30 days after being requested to do so by the commission.

3. A publicly traded corporation which is a member of a limited-liability company is not required to be licensed, but shall comply with NRS 463.635 to 463.645, inclusive.

4. No person may become a member, a transferee of a member's interest in a limited-liability company or a manager of a limited-liability company which holds or has applied for a license until he secures the

required approval of the commission.  
(Added to NRS by 1993, 1995)

463.5736 Required reports and statements; income tax returns.

1. After licensing pursuant to NRS 463.5735, a limited-liability company shall:
    - (a) Report to the board and commission in writing any change in personnel who have been designated by the board or commission as key executives.
    - (b) Furnish the board an annual profit and loss statement and an annual balance sheet.
  2. The commission may require that a limited-liability company furnish the board with a copy of its federal income tax return within 30 days after the return is filed with the Federal Government.
- (Added to NRS by 1993, 1996)

463.5737 Termination of employment of employee or manager found unsuitable or whose license is denied or revoked; licensing of successor.

1. If an employee or a manager of a limited-liability company which holds a license is required to be licensed individually, and he:
    - (a) Does not apply for a license within 30 days after the commission requests him to do so, and the commission makes a finding of unsuitability for that reason;
    - (b) Is denied a license; or
    - (c) Has his license revoked by the commission,the limited-liability company for whom he is a manager or by whom he is employed shall, upon receiving notice by registered or certified mail from the commission, remove him as a manager or modify his employment so that he no longer serves in a capacity for which he is required to be licensed, and shall not allow him to exercise a significant influence over the limited-liability company's operation of a gaming establishment.
  2. If the limited-liability company designates another employee or manager to replace the employee or manager whose employment was modified or who was removed as a manager, it shall promptly notify the commission and require the newly designated employee or manager to apply for a license.
- (Added to NRS by 1993, 1996)

## **HOLDING AND INTERMEDIARY COMPANIES**

463.575 Applicability of NRS 463.585 to 463.615, inclusive; exemption for publicly traded corporation.

NRS 463.585 to 463.615, inclusive, apply to every holding company or intermediary company except a publicly traded corporation which has been exempted from the operation of all or some of the provisions of such sections pursuant to NRS 463.625.  
(Added to NRS by 1969, 366)

463.585 Requirements if corporation or other business organization is or becomes subsidiary; investigations; restrictions on unsuitable persons; statement on certificate, securities; other requirements.

1. If a corporation, partnership, limited partnership, limited-liability company or other business organization applying for or holding a license is or becomes a subsidiary, each holding company and each intermediary company with respect thereto must:
  - (a) Qualify to do business in the State of Nevada.
  - (b) If it is a corporation, register with the commission and furnish the board:
    - (1) A complete list of all stockholders when it first registers, and annually thereafter, within 30 days after the annual meeting of the stockholders of the corporation, showing the number of shares held by each.
    - (2) The names of all corporate officers within 30 days of their appointment.
    - (3) The names of all members of the board of directors within 30 days of their election.
  - (c) If it is a firm, partnership, trust or other form of business organization, it must register with the

commission and furnish the board such analogous information as the commission may prescribe.

2. The board or the commission may in its discretion make such investigations concerning the officers, directors, underwriters, security holders, partners, principals, trustees or direct or beneficial owners of any interest in any holding company or intermediary company as it deems necessary, either at the time of initial registration or at any time thereafter.

3. If at any time the commission finds that any person owning, controlling or holding with power to vote any part of any class of security of, or any interest in, any holding company or intermediary company is unsuitable to be connected with a licensed gaming enterprise, it shall so notify the unsuitable person, the holding company or intermediary company, or both. The unsuitable person shall immediately offer the security to the issuing corporation, or the interest to the firm, partnership, trust or other business organization, for purchase. The corporation shall purchase the security so offered, or the firm, partnership, trust or other business organization shall purchase the interest so offered, for cash at fair market value within 10 days after the date of the offer.

4. Beginning upon the date when the commission serves notice of a determination of unsuitability pursuant to subsection 3, it is unlawful for the unsuitable person:

(a) To receive any dividend or interest upon any such securities, or any dividend, payment or distribution of any kind from any holding company or intermediary company;

(b) To exercise, directly or indirectly or through any proxy, trustee or nominee, any voting right conferred by such securities or interest; or

(c) To receive any remuneration in any form from the corporation, partnership, limited partnership, limited-liability company or other business organization holding a license or from any holding company or intermediary company with respect thereto, for services rendered or otherwise.

5. Every security issued by a holding company or intermediary company which directly or indirectly:

(a) Owns;

(b) Has the power or right to control; or

(c) Holds with power to vote,

any part of the outstanding equity securities of a corporation holding a gaming license or the interests in a partnership, limited partnership, limited-liability company or other business organization holding a gaming license shall bear a statement, on both sides of the certificate evidencing such security, of the restrictions imposed by this section.

6. A holding company or intermediary company subject to subsection 1 shall not make any public offering of any of its securities unless such public offering has been approved by the commission.

7. The commission may, at any time and from time to time, by general regulation or selectively, impose on any holding company or intermediary company any requirement not inconsistent with law which it may deem necessary in the public interest. Without limiting the generality of the preceding sentence, any such requirement may deal with the same subject matter as, but be more stringent than, the requirements imposed by NRS 463.482 to 463.645, inclusive.

(Added to NRS by 1969, 366; A 1971, 675; 1993, 2005)

**463.595 Individual licensing of officers, employees and other persons; removal from position if found unsuitable or if license is denied or revoked; suspension of suitability by commission.**

1. Each officer, employee, director, partner, principal, manager, member, trustee or direct or beneficial owner of any interest in any holding company or intermediary company, who the commission determines is or is to become engaged in the administration or supervision of, or any other significant involvement with, the activities of a licensee, must be found suitable therefor and may be required to be licensed by the commission.

2. If any officer, employee, director, partner, principal, manager, member, trustee or direct or beneficial owner required to be found suitable pursuant to subsection 1 fails to apply for a finding of suitability or a gaming license within 30 days after being requested so to do by the commission, is not found suitable or is denied a license by the commission, or if his license or the finding of his suitability is revoked after appropriate findings by the commission, the holding company or intermediary company, or both, shall immediately remove that person from any position in the administration or supervision of, or any other significant involvement with, the activities of a licensee. If the commission suspends the suitability or license of any officer, employee, director, partner, principal, manager, member, trustee or owner, the holding company or intermediary company, or both, shall, immediately and for the duration of the

suspension, suspend him from performing any duties in administration or supervision of the activities of the licensee and from any other significant involvement therewith.  
(Added to NRS by 1969, 368; A 1977, 1439; 1993, 2006)

#### 463.605 Information required if corporation or other business organization is or becomes subsidiary.

If a corporation, partnership, limited partnership, limited-liability company or other business organization applying for or holding a license is or becomes a subsidiary, each holding company and intermediary company shall furnish the board the following information:

1. The organization, financial structure and nature of the business it operates.
2. The terms, position, rights and privileges of the different classes of securities outstanding.
3. The terms on which its securities are to be, and during the preceding 3 years have been, offered to the public or otherwise.
4. The terms and conditions of all outstanding loans, mortgages, trust deeds, pledges or any other indebtedness or security device pertaining to the gaming licensee.
5. The extent of the security holding or other interest in the holding company or intermediary company of all officers, employees, directors, underwriters, partners, principals, managers, members, trustees or any direct or beneficial owner, and any remuneration as compensation for their services, in the form of salary, wages, fees, or by contract, pertaining to the gaming licensee.
6. Remuneration to others than directors and officers exceeding \$40,000 per annum.
7. Bonus and profit-sharing arrangements.
8. Management and service contracts.
9. Options existing or to be created in respect of their securities or other interests.
10. Balance sheets, certified by independent certified public accountants, for not more than the 3 preceding fiscal years, or, if the holding company or intermediary company has not been in existence more than 3 years, balance sheets from the time of its establishment.
11. Profit and loss statements, certified by independent certified public accountants, for not more than the 3 preceding fiscal years, or, if the holding company or intermediary company has not been in existence more than 3 years, profit and loss statements from the time of its establishment.
12. Any further financial statements which the board may deem necessary or appropriate for the protection of the State of Nevada, licensed gambling, or both.
13. An annual profit and loss statement and an annual balance sheet, and a copy of its annual federal income tax return, within 30 days after such return is filed with the Federal Government.

(Added to NRS by 1969, 368; A 1975, 694; 1993, 2006)

#### 463.615 Penalties for noncompliance with laws and regulations.

If any corporation, partnership, limited partnership, limited-liability company or other business organization holding a license or if any holding company or intermediary company with respect thereto, does not comply with the laws of this state and the regulations of the commission, the commission may, in its discretion, do any one, all or a combination of the following:

1. Revoke, limit, condition or suspend the license of the corporation, partnership, limited partnership, limited-liability company or other business organization; or
2. Fine the persons involved, or the corporation, partnership, limited partnership, limited-liability company or other business organization holding a license or such holding company or intermediary company, in accordance with the laws of this state and the regulations of the commission.

(Added to NRS by 1969, 369; A 1979, 1529; 1993, 2007)

## **PUBLICALLY TRADED CORPORATIONS**

#### 463.621 Legislative declaration.

The legislature hereby declares that:

1. Some corporate acquisitions opposed by management, repurchases of securities and corporate defense tactics affecting corporate gaming licensees and publicly traded corporations that are affiliated companies

can constitute business practices which may be injurious to stable and productive corporate gaming.

2. A regulatory scheme established to ameliorate the potential adverse effects of these business practices upon the gaming industry must be properly developed to balance the interests of Nevada gaming, interstate commerce and federal regulation of securities.
3. A regulatory scheme established to ameliorate the potential adverse effects of these business practices upon the gaming industry may best be accomplished by the adoption and enforcement of regulations by the Nevada gaming commission.

(Added to NRS by 1987, 1742)

#### 463.622 Policy of state.

The policy of the State of Nevada with respect to corporate acquisitions, repurchases of securities and corporate recapitalizations affecting corporate licensees and publicly traded corporations that are affiliated companies is to:

1. Assure the financial stability of corporate licensees and affiliated companies;
2. Preserve the beneficial aspects of conducting business in the corporate form; and
3. Promote a neutral environment for the orderly governance of corporate affairs that is consistent with the public policy of this state concerning gaming.

(Added to NRS by 1987, 1743)

#### 463.623 Regulations concerning certain corporate acquisitions, repurchases of securities and corporate defense tactics.

The commission may adopt regulations providing for the review and approval of corporate acquisitions opposed by management, repurchases of securities and corporate defense tactics affecting corporate gaming licensees and publicly traded corporations that are affiliated companies. The regulations must be consistent with:

1. The policy of this state as expressed in this chapter;
2. The provisions of this chapter;
3. The requirements of the Constitution of the United States; and
4. Federal regulation of securities.

(Added to NRS by 1987, 1743)

#### 463.625 Exemptions from certain requirements; compliance with NRS 463.635 to 463.645, inclusive.

The commission may exempt a publicly traded corporation from compliance with any of the provisions of NRS 463.585 to 463.615, inclusive. To the extent of such an exemption, the corporation shall comply instead with the provisions of NRS 463.635 to 463.645, inclusive, except as otherwise ordered by the commission.

(Added to NRS by 1969, 369; A 1971, 676; 1985, 1477; 1993, 189)

#### 463.627 Registration of corporation of another country: Application; investigation; expenses of investigation.

1. A corporation or other legal entity which is organized under the laws of another country and seeks to register with the commission as a publicly traded corporation must submit an application to the board.
2. The application must provide the board with information showing that the applicant's business activities are regulated by a governmental authority of the foreign country in a manner which will prevent those activities from posing any threat to the control of gaming in this state.
3. The board may conduct an investigation of the applicant and the governmental authority responsible for regulation of the applicant. The board shall require the applicant to pay the board's anticipated expenses for such an investigation, and may, after completing such an investigation, charge the applicant any amount necessary to cover an underpayment of the actual expenses.

(Added to NRS by 1985, 1476)

#### 463.633 Registration of corporation of another country: Matters considered by board; rejection without hearing.

In determining whether to recommend that the commission approve such an application, the board may consider, in addition to all other requirements of this chapter:

1. Whether the governmental authority in the foreign country has an effective system to regulate the applicant and the relations between the investing public and the applicant and other corporations listed on the exchange;
2. Whether the system includes:
  - (a) A requirement that the listed corporations make full disclosure of information to the investing public;
  - (b) A requirement that the listed corporations file periodic reports with the governmental authority;
  - (c) A method to prevent any manipulation of the prices of securities or any employment of deceptive or misleading devices; and
  - (d) A restriction on margins to prevent any excessive use of credit for the purchase or carrying of securities listed on the exchange;
3. The availability of means by which the board and commission may obtain adequate information from the governmental authority in the foreign country concerning the applicant's activities; and
4. Such other matters as the board finds it necessary to consider in order to protect regulated gaming in Nevada.

The board may reject any such application without a hearing.

(Added to NRS by 1985, 1476)

463.635 Duties of publicly traded corporation owning or controlling applicant or licensee; investigations.

1. If a corporation, partnership, limited partnership, limited-liability company or other business organization applying for or holding a state gaming license is or becomes owned in whole or in part or controlled by a publicly traded corporation, or if a publicly traded corporation applies for or holds a state gaming license, the publicly traded corporation shall:
  - (a) Maintain a ledger in the principal office of its subsidiary which is licensed to conduct gaming in this state, which must:
    - (1) Reflect the ownership of record of each outstanding share of any class of equity security issued by the publicly traded corporation. The ledger may initially consist of a copy of its latest list of equity security holders and thereafter be maintained by adding a copy of such material as it regularly receives from the transfer agent for its equity securities of any class which are outstanding.
    - (2) Be available for inspection by the board and the commission and their authorized agents at all reasonable times without notice.
  - (b) Register with the commission and provide the following information to the board:
    - (1) The organization, financial structure and nature of the business of the publicly traded corporation, including the names of all officers, directors and any employees actively and directly engaged in the administration or supervision of the activities of the gaming licensee, and the names, addresses and number of shares held of record by holders of its equity securities.
    - (2) The rights and privileges accorded the holders of different classes of its authorized equity securities.
    - (3) The terms on which its equity securities are to be, and during the preceding 3 years have been, offered by the corporation to the public or otherwise initially issued by it.
    - (4) The terms and conditions of all its outstanding loans, mortgages, trust deeds, pledges or any other indebtedness or security device, directly relating to the gaming activities of the gaming licensee.
    - (5) The extent of the equity security holdings of record in the publicly traded corporation of all officers, directors, underwriters and persons owning of record equity securities of any class of the publicly traded corporation, and any payment received by any such person from the publicly traded corporation for each of its 3 preceding fiscal years for any reason whatsoever.
    - (6) Remuneration exceeding \$40,000 per annum to persons other than directors and officers who are actively and directly engaged in the administration or supervision of the gaming activities of the gaming licensee.
    - (7) Bonus and profit-sharing arrangements of the publicly traded corporation directly or indirectly relating to the gaming activities of the gaming licensee.
    - (8) Management and service contracts of the publicly traded corporation directly or indirectly relating to the gaming activities of the gaming licensee.
    - (9) Options existing or from time to time created in respect of its equity securities.

(10) Balance sheets, certified by independent public accountants, for at least the 3 preceding fiscal years, or if the publicly traded corporation has not been incorporated for a period of 3 years, balance sheets from the time of its incorporation. These balance sheets may be those filed by it with or furnished by it to the Securities and Exchange Commission.

(11) Profit and loss statements, certified by independent certified public accountants, for at least the 3 preceding fiscal years, or, if the publicly traded corporation has not been incorporated for a period of 3 years, profit and loss statements from the time of its incorporation. These profit and loss statements may be those filed by it with or furnished by it to the Securities and Exchange Commission.

(12) Any further information within the knowledge or control of the publicly traded corporation which either the board or the commission may deem necessary or appropriate for the protection of this state, or licensed gambling, or both. The board or the commission may in its discretion make such investigation of the publicly traded corporation or any of its officers, directors, security holders or other persons associated therewith as it deems necessary.

(c) Apply for an order of registration from the commission which must set forth a description of the publicly traded corporation's affiliated companies and intermediary companies, and the various gaming licenses and approvals obtained by those entities. The commission may issue an order of registration upon receipt of a proper application. If the information set forth in an order of registration changes, the publicly traded corporation shall apply for and the commission may issue amendments to and revisions of the order of registration to reflect the changes.

(d) If the publicly traded corporation is a foreign corporation, qualify to do business in this state.

2. The commission may adopt regulations that generally or selectively impose on any publicly traded corporation any requirement not inconsistent with law which it may deem necessary in the public interest. Without limiting the generality of the preceding sentence, any such requirement may deal with the same subject matter as, but be more stringent than, the requirements imposed by NRS 463.482 to 463.645, inclusive.

(Added to NRS by 1969, 369; A 1971, 676; 1975, 695; 1979, 1529; 1991, 935; 1993, 189, 2008)

463.637 Individual licensing of directors, officers and employees; removal from position if found unsuitable or if license is denied or revoked; suspension of suitability by commission.

1. Each officer, director and employee of a publicly traded corporation who the commission determines is or is to become actively and directly engaged in the administration or supervision of, or any other significant involvement with, the gaming activities of the corporation or any of its affiliated or intermediary companies must be found suitable therefor and may be required to be licensed by the commission.

2. If any officer, director or employee of a publicly traded corporation required to be licensed or found suitable pursuant to subsection 1 fails to apply for a gaming license or finding of suitability within 30 days after being requested to do so by the commission, or is denied a license or not found suitable by the commission, or if his license or the finding of his suitability is revoked after appropriate findings by the commission, the publicly traded corporation shall immediately remove that officer, director or employee from any office or position wherein he is actively and directly engaged in the administration or supervision of, or any other significant involvement with, the gaming activities of the corporation or any of its affiliated or intermediary companies. If the commission suspends the finding of suitability of any officer, director or employee, the publicly traded corporation shall, immediately and for the duration of the suspension, suspend that officer, director or employee from performance of any duties wherein he is actively and directly engaged in administration or supervision of, or any other significant involvement with, the gaming activities of the corporation or any of its affiliated or intermediary companies.

(Added to NRS by 1969, 371; A 1977, 1439; 1979, 1530; 1993, 191)

463.639 Required reports and statements; income tax return; documents filed with commission.

1. Except as otherwise provided in subsection 2, after a publicly traded corporation has registered pursuant to this chapter, and while the publicly traded corporation or any of its affiliated or intermediary companies holds a gaming license, the publicly traded corporation shall:

(a) Report promptly to the commission in writing any change in its officers, directors or employees who are actively and directly engaged in the administration or supervision of the gaming activities of the corporation or any of its affiliated or intermediary companies.

(b) Each year furnish to the commission a profit and loss statement and a balance sheet of the publicly

traded corporation as of the end of the year, and, upon request of the commission therefor, a copy of the publicly traded corporation's federal income tax return within 30 days after the return is filed with the Federal Government. All profit and loss statements and balance sheets must be submitted within 120 days after the close of the fiscal year to which they relate, and may be those filed by the publicly traded corporation with or furnished by it to the Securities and Exchange Commission.

(c) Mail to the commission a copy of any statement, or amendment thereto, received from a stockholder or group of stockholders pursuant to section 13(d) of the Securities Exchange Act of 1934, as amended, within 10 days after receiving the statement or amendment thereto, and report promptly to the commission in writing any changes in ownership of record of its equity securities which indicate that any person has become the owner of record of more than 10 percent of its outstanding equity securities of any class.

(d) Upon request of the commission, furnish to it a copy of any document filed by the publicly traded corporation with the Securities and Exchange Commission or with any national or regional securities exchange, including documents considered to be confidential in nature, or any document furnished by it to any of its equity security holders of any class.

2. A publicly traded corporation which was created under the laws of a foreign country shall, instead of complying with subsection 1:

(a) Each year furnish to the commission a profit and loss statement and a balance sheet of the publicly traded corporation as of the end of the year, and, upon request of the commission therefor, a copy of the publicly traded corporation's federal income tax return within 30 days after the return is filed with the Federal Government. All profit and loss statements and balance sheets must be submitted within 120 days after the close of the fiscal year to which they relate, and may be those filed by the publicly traded corporation with or furnished by it to the foreign governmental agency that regulates the sale of its securities.

(b) Mail to the commission a copy of any statement, or amendment thereto, received from a stockholder or group of stockholders pursuant to law, within 10 days after receiving the statement or amendment thereto, and report promptly to the commission in writing any changes in ownership of record of its equity securities which indicate that any person has become the owner of record of more than 10 percent of its outstanding equity securities of any class.

(c) Upon request of the commission, furnish to it a copy of any document filed by the publicly traded corporation with the foreign governmental agency that regulates the sale of its securities or with any national or regional securities exchange, including documents considered to be confidential in nature, or any document furnished by it to any of its equity security holders of any class.

(Added to NRS by 1969, 371; A 1977, 1440; 1979, 1531; 1985, 1477; 1993, 192)

#### 463.641 Penalties for noncompliance with laws and regulations.

If any corporation, partnership, limited partnership, limited-liability company or other business organization holding a license is owned or controlled by a publicly traded corporation subject to the provisions of this chapter, or that publicly traded corporation, does not comply with the laws of this state and the regulations of the commission, the commission may in its discretion do any one, all or a combination of the following:

1. Revoke, limit, condition or suspend the license of the licensee; or
2. Fine the persons involved, the licensee or the publicly traded corporation, in accordance with the laws of this state and the regulations of the commission.

(Added to NRS by 1969, 372; A 1979, 1532; 1993, 2009)

#### 463.643 Suitability of persons acquiring beneficial ownership of voting security or debt security in publicly traded corporation; report of acquisition; application; penalty.

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

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

3. Each person who, individually or in association with others, acquires, directly or indirectly, beneficial ownership of more than 5 percent of any class of voting securities of a publicly traded corporation registered with the Nevada gaming commission, and who is required to report, or voluntarily reports, such acquisition to the Securities and Exchange Commission pursuant to section 13(d)(1), 13(g) or 16(a) of the Securities Exchange Act of 1934, as amended (15 U.S.C. §§ 78m(d)(1), 78m(g) and 78p(a), respectively), shall file a copy of that report, and any amendments thereto, with the Nevada gaming commission within 10 days after filing that report with the Securities and Exchange Commission.
4. Each person who, individually or in association with others, acquires, directly or indirectly, the beneficial ownership of more than 10 percent of any class of voting securities of a publicly traded corporation registered with the commission, and who is required to report, or voluntarily reports, the acquisition pursuant to section 13(d)(1), 13(g) or 16(a) of the Securities Exchange Act of 1934, as amended (15 U.S.C. §§ 78m(d)(1), 78m(g) and 78p(a), respectively), shall apply to the commission for a finding of suitability within 30 days after the chairman of the board mails the written notice.
5. A person who acquires beneficial ownership of any voting security or debt security in a publicly traded corporation created under the laws of a foreign country which is registered with the commission shall file such reports and is subject to such a finding of suitability as the commission may prescribe.
6. Any person required by the commission or by this section to be found suitable shall:
  - (a) Except as otherwise required in subsection 4, apply for a finding of suitability within 30 days after the commission requests that he do so; and
  - (b) Together with the application, deposit with the board a sum of money which, in the opinion of the board, will be adequate to pay the anticipated costs and charges incurred in the investigation and processing of the application, and deposit such additional sums as are required by the board to pay final costs and charges.
7. Any person required by the commission or this section to be found suitable who is found unsuitable by the commission shall not hold directly or indirectly the beneficial ownership of any voting security or debt security of a publicly traded corporation which is registered with the commission beyond the time prescribed by the commission.
8. The violation of subsection 6 or 7 is a gross misdemeanor.
9. As used in this section, "debt security" means any instrument generally recognized as a corporate security representing money owed and reflected as debt on the financial statement of a publicly traded corporation, including, but not limited to, bonds, notes and debentures.  
(Added to NRS by 1977, 1426; A 1985, 1478, 2142; 1991, 937; 1995, 207)

## **MISCELLANEOUS PROVISIONS**

463.645 Remuneration, contracts and employment prohibited for certain unsuitable or unlicensed persons.

If any person who is required by or pursuant to this chapter to be licensed or found suitable because of his connection with a corporation, partnership, limited partnership, limited-liability company or other business organization holding a license, or a holding company or intermediary company, including a publicly traded corporation, fails to apply for a license or a finding of suitability after being requested to do so by the commission or is denied a license or a finding of suitability, or if his license or finding of suitability is revoked, the corporation, partnership, limited partnership, limited-liability company, business organization, holding company, intermediary company or any person who directly or indirectly controls, is controlled by or is under common control with the corporation, partnership, limited partnership, limited-liability company, business organization, holding company or intermediary company shall not, after receipt of written notice from the commission:

1. Pay him any remuneration for any service relating to the activities of a licensee, except for amounts due for services rendered before the date of receipt of notice of such action by the commission. Any contract or agreement for personal services or the conduct of any activity at a licensed gaming establishment between a former employee whose employment was terminated because of failure to apply for a license or a finding of suitability, denial of a license or finding of suitability, or revocation of a license or a finding of suitability, or any business enterprise under the control of that employee and the licensee, holding or intermediary company or registered publicly traded corporation is subject to termination. Every such

agreement 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 business or any person associated therewith is unsuitable to be associated with a gaming enterprise. Failure expressly to include such a condition in the agreement is not a defense in any action brought pursuant to this section to terminate the agreement.

2. Enter into any contract or agreement with him or with a business organization under his control which involves the operations of a licensee, without the prior approval of the commission.

3. Employ him in any position involving the activities of a licensee without prior approval of the commission.

(Added to NRS by 1977, 1427; A 1979, 475; 1981, 1100; 1993, 2010)

## **LICENSING AND REGULATION OF MANUFACTURERS, SELLERS AND DISTRIBUTORS OF GAMING DEVICES**

463.650 License required; exceptions; applicability of NRS 463.482 to 463.645, inclusive.

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 or cashless wagering system for use or play in Nevada or for distribution outside of Nevada without first procuring and maintaining all required federal, state, county and municipal licenses.

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

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

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

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

(a) A law enforcement agency;

(b) A court of law; or

(c) A gaming device repair school licensed by the commission on postsecondary education, may be disposed of by sale, in a manner approved by the board, without a distributor's license. An application for approval must be submitted to the board in the manner prescribed by the chairman.

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

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

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

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

(Added to NRS by 1967, 1596; A 1969, 651; 1977, 1425, 1441, 1445; 1981, 1101; 1983, 1206; 1989, 405, 970; 1993, 314, 829, 831, 2010; 1995, 762)

463.655 Effect of determination that manufacturer or distributor is unsuitable to hold license.

If the commission determines that a manufacturer or distributor is unsuitable to receive or hold a license:

1. No new gaming device or associated equipment manufactured by the manufacturer or distributed by the

distributor may be approved;

2. Any previously approved device or associated equipment manufactured by the manufacturer or distributed by the distributor is subject to revocation of approval if the reasons for the denial of the license also apply to that device or associated equipment;
3. No new device or associated equipment manufactured by the manufacturer or distributed by the distributor may be sold, transferred or offered for use or play in Nevada; and
4. Any association or agreement between the manufacturer or distributor and a licensee must be terminated, unless otherwise provided by the commission. An agreement between such a manufacturer or distributor of gaming devices or associated equipment and a licensee 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 manufacturer is unsuitable to be associated with a gaming enterprise. Failure to include that condition in the agreement is not a defense in any action brought pursuant to this section to terminate the agreement.
5. Failure of a licensee to terminate any association or agreement with a manufacturer or distributor of gaming devices or associated equipment after receiving notice of a determination of unsuitability, the denial of a license or failure to file a timely application for a license is an unsuitable method of operation. (Added to NRS by 1983, 1205; A 1985, 2143)

#### 463.660 Amount and disposition of fees for licenses.

1. The commission shall charge and collect from each applicant a fee of:
  - (a) For the issuance or renewal of a manufacturer's license, \$1,000.
  - (b) For the issuance or renewal of a seller's or distributor's license, \$500.
2. All licenses must be issued for the calendar year and expire on December 31. Regardless of the date of application or issuance of the license, the fee to be charged and collected under this section is the full annual fee.
3. All license fees collected pursuant to this section must be paid over immediately to the state treasurer to be deposited to the credit of the state general fund. (Added to NRS by 1967, 1596; A 1983, 1338)

#### 463.665 Finding of suitability for manufacturer or distributor of associated equipment.

1. 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 file an application for a finding of suitability to be a manufacturer or distributor of associated equipment.
2. Any person who directly or indirectly involves himself 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 file an application for a finding of suitability to be a manufacturer or distributor of associated equipment.
3. If an application for a finding of suitability is not submitted to the board within 30 days after demand by the commission, it may pursue any remedy or combination of remedies provided in this chapter. (Added to NRS by 1983, 1205; A 1985, 2144; 1987, 188)

#### 463.670 Inspection of gaming device, associated equipment and cashless wagering systems; fee.

1. The legislature finds and declares as facts:
  - (a) That the inspection of gaming devices, associated equipment and cashless wagering systems is essential to carry out the provisions of this chapter; and
  - (b) That inspection of gaming devices, associated equipment and cashless wagering systems is greatly facilitated by the opportunity to inspect components before assembly and to examine the methods of manufacture.
2. The board may inspect every gaming device which is manufactured, sold or distributed:
  - (a) For use in this state, before the gaming device is put into play.
  - (b) In this state for use outside this state, before the gaming device is shipped out of this state.
3. The board may inspect every gaming device which is offered for play within this state by a licensee.
4. The board may inspect all associated equipment and every cashless wagering system which is manufactured, sold or distributed for use in this state before the equipment or system is installed or used by a licensee and at any time while the licensee is using the equipment or system.

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

(Added to NRS by 1967, 1597; A 1969, 651; 1977, 1441; 1981, 1102; 1983, 1207; 1985, 2144; 1995, 1501)

## **FOREIGN GAMING**

### **463.680 Definitions.**

For the purposes of NRS 463.700 to 463.720, inclusive:

1. "Foreign gaming" means the conduct of gaming outside this state.
2. "Licensee" means a person who:
  - (a) Is licensed or required to be licensed pursuant to NRS 463.160, 463.162, 463.167 or 463.650;
  - (b) Is or is required to be licensed, registered or found suitable pursuant to NRS 463.482 to 463.645, inclusive; or
  - (c) Directly or through one or more intermediaries controls, is controlled by or is under common control with a person described in paragraph (a) or (b).

(Added to NRS by 1977, 1419; A 1981, 1102; 1993, 302)

### **463.700 Application for approval; investigations; revolving fund for expenses of investigation.**

1. A licensee who proposes to participate in foreign gaming shall, no later than 30 days after his execution of a definitive agreement pertaining to the proposed participation in foreign gaming or his filing of an application for licensing or related approval pertaining to the proposed participation, whichever is earlier, deposit with the board and thereafter maintain a refundable revolving fund in the amount of \$10,000 to pay the expenses of investigation by the board of his participation in foreign gaming. The commission may in a particular case increase or decrease the required amount of the revolving fund, but the board or commission shall not require a licensee to establish more than one such revolving fund. Upon the licensee's termination of all proposed and actual participation in foreign gaming, the board shall refund the remaining balance in the licensee's revolving fund.
2. Before participating in foreign gaming, a licensee shall provide to the board such information pertaining to his proposed participation as the board may request.

(Added to NRS by 1977, 1420; A 1993, 302)

### **463.710 Required reports and information; documents filed with commission.**

Unless otherwise ordered by the board or commission, a licensee who participates in foreign gaming shall file with the board:

1. As soon as participation in foreign gaming begins:
  - (a) All documents filed by him or by an affiliate with the foreign jurisdiction; and
  - (b) The systems of accounting and internal control utilized in the foreign operation and any amendments to the systems as soon as made.
2. Annual operational and regulatory reports describing compliance with regulations, procedures for audit, and procedures for surveillance relating to the foreign operation.
3. Quarterly reports regarding any of the following information which is within the knowledge of the licensee:
  - (a) Any changes in ownership or control of any interest in the foreign operation;
  - (b) Any changes in officers, directors or key employees of the foreign operation;
  - (c) All complaints, disputes, orders to show cause and disciplinary actions, related to gaming, instituted or presided over by an entity of the United States, a state or any other governmental jurisdiction concerning the foreign operation;
  - (d) Any arrest of an employee of the foreign operation involving cheating or theft, related to gaming, in the foreign jurisdiction; and
  - (e) Any arrest or conviction of an officer, director, key employee or owner of equity in the foreign operation for an offense that would constitute a gross misdemeanor or felony in this state.

4. Such other information as the commission requires by regulation.  
(Added to NRS by 1977, 1420; A 1987, 142; 1993, 303)

#### 463.720 Prohibited practices.

A licensee shall not, in a foreign operation, knowingly:

1. Violate any foreign, federal, tribal, state, county, city or township law, regulation, ordinance or rule, or any equivalent thereof, concerning the conduct of gaming;
2. Fail to conduct the operation in accordance with the standards of honesty and integrity required for gaming in this state;
3. Engage in any activity that:
  - (a) Poses any unreasonable threat to the control of gaming in this state;
  - (b) Reflects or tends to reflect discredit or disrepute upon this state or gaming in this state; or
  - (c) Is contrary to the public policy of this state concerning gaming;
4. Engage in any activity that interferes with the ability of this state to collect all license fees imposed by this chapter; or
5. Employ or contract with any person whom the commission or any court in this state has found guilty of cheating or to whom the commission has denied a gaming license, or finding of suitability, on the ground of unsuitability.

(Added to NRS by 1977, 1421; A 1993, 304)

## CHAPTER 463A

### **GAMING EMPLOYEES' LABOR ORGANIZATIONS**

#### 463A.010 Legislative findings and declaration.

The legislature finds and declares that:

1. The relationship which exists between a labor organization and the employees whom it represents in collective bargaining is such that it may significantly affect the conduct of a gaming operation by an employer.
2. In the past, attempts have been made by persons whose background is not suitable for association with licensed gaming to gain positions of control in labor organizations representing gaming casino employees in this state.
3. In order to carry out the declared policy of this state that licensed gaming be conducted freely and honestly, and in order to protect the welfare of the employees of the gaming industry which is fundamental to the economy of this state, it is necessary to determine the suitability of any person who performs certain significant functions in the representation of gaming casino employees in this state.

(Added to NRS by 1975, 1441)

#### 463A.020 Definitions.

As used in this chapter:

1. "Board" means the state gaming control board.
2. "Commission" means the Nevada gaming commission.
3. "Gaming casino employee" means any person employed directly or indirectly in the operation of a gaming establishment under a nonrestricted license, including:
  - (a) All personnel involved in the operation of a casino gaming pit, such as dealers, shills, clerks, hosts, junket representatives and the supervisors of such persons;
  - (b) All personnel involved in handling money, such as cashiers, change persons, count teams, coin wrappers and the supervisors of such persons;
  - (c) All personnel involved in the operation of games, such as bingo and keno;
  - (d) All personnel involved in operating and maintaining slot machines, such as mechanics, floormen, change and payoff persons and the supervisors of such persons;
  - (e) All personnel involved in security, such as guards, games observers and the supervisors of such persons;
  - (f) All personnel involved in the operation of a race or sports book, such as writers, boardmen, cashiers and

the supervisors of such persons;

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

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

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

(Added to NRS by 1975, 1442)

#### 463A.030 Information concerning certain personnel of labor organization to be filed with board; regulations of commission.

1. Every labor organization which represents gaming casino employees in this state shall file with the board a list of its personnel who:

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

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

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

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

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

4. The commission may by regulation prescribe:

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

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

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

(Added to NRS by 1975, 1442)

#### 463A.040 Grounds for disqualification of personnel of labor organization.

The commission may individually disqualify any person from performing any one or more of the functions whose performance requires listing, if it finds that:

1. He has been convicted in any jurisdiction of any crime involving moral turpitude or indicating a lack of business integrity or honesty, whether denominated a felony or misdemeanor.

2. He has made or caused to be made any statement in a document provided to the board or its agents or orally to a board member or agent in connection with an investigation or listing which was, at the time and in the light of the circumstances under which it was made, false or misleading.

3. He is a member of or an associate of organized criminal elements. Identification as such a member or associate by any law enforcement agency, legislative body or crime commission constitutes evidence which may be considered by the Nevada gaming commission.

4. His moral character and integrity, as evidenced by his prior conduct, are such as to create a reasonable belief that his performance of the specified function would not be consistent with the policy of this state that gaming be conducted freely and honestly or with the welfare of the employees of the gaming industry.

(Added to NRS by 1975, 1443)

463A.050 Investigation of personnel of labor organization: Powers of board; costs; consultants; recommendations.

1. To determine suitability under and compliance with the provisions of this chapter, the board may investigate any person whose name is listed by a labor organization or who it believes is performing a function which requires listing. For this purpose the board is vested with all of the powers which it possesses for the investigation of an applicant for or holder of a state gaming license, and may further make such examination as it reasonably deems necessary of the financial records of any labor organization for whom such person is performing such a function.
  2. The cost of any investigation required by this section shall be paid by the board from moneys appropriated or authorized to be used for this purpose.
  3. Whenever the board undertakes an investigation pursuant to this section, it shall employ or consult with some person who has a professional background in the field of labor relations. The same services may be retained to assist the commission upon any subsequent hearing of the matter.
  4. The board shall, if appropriate, recommend to the commission that a person investigated be disqualified.
- (Added to NRS by 1975, 1443)

463A.060 Disqualification of personnel of labor organization: Notice of recommendation and reasons; notice of defense.

1. If the board recommends that a person be disqualified, the commission shall serve upon the person and the labor organization for which the person is performing his function a notice, a statement of the reasons for the recommendation and three copies of a form entitled "Notice of Defense."
2. The notice of defense must read substantially as follows:

#### Notice of Defense

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

Yes No

1. Do you request a hearing? " " "
2. Do you admit the facts stated in the complaint? " " "

If you admit some of the facts stated in the complaint, but deny others, please specify:

(space for answer)

3. Are there any defenses or explanations which you believe the commission should consider? " " "

If so, please specify:

(space for answer)

4. Do you wish to state any legal objections to the

complaint? ...

If so, please specify:

(space for answer)

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

(Added to NRS by 1975, 1444)

463A.070 Notice of defense: Time for filing; contents.

Within 15 days after service upon him of the notice, the respondent may file with the commission a notice of defense in which he may:

1. Request a hearing;
2. Admit the accusation in whole or in part;
3. Present new matter or explanations by way of defense; and
4. State any legal objections to the complaint.

Within the time specified respondent may file one or more notices of defense upon any or all of the above grounds, but all such notices shall be filed within the period specified above unless the commission authorizes the filing of a later notice.

(Added to NRS by 1975, 1444)

463A.080 Right to hearing; waiver.

The respondent is entitled to a hearing on the merits if he files a notice of defense within the time allowed and any such notice shall be deemed a specific denial of all parts of the complaint not expressly admitted. Failure to file a notice of defense within the time allowed constitutes a waiver of the respondent's right to a hearing and to judicial review of any decision or order of the commission, but the commission may order a hearing. All affirmative defenses must be specifically stated and unless objection is stated in a notice of defense, all objections to the form of the notice and statement of reasons are waived.

(Added to NRS by 1975, 1445)

463A.090 Notice of hearing.

1. The commission shall determine the time and place of the hearing as soon as is reasonably practical after receiving the respondent's notice of defense. The commission shall deliver or send a notice of hearing by registered or certified mail to all parties at least 10 days prior to the hearing. Unless the respondent consents, the hearing shall not be held prior to the expiration of the time within which the respondent is entitled to file a notice of defense.

2. The notice of hearing shall be substantially in the following form, but may include other information:

You Are Hereby Notified that a hearing will be held before the Nevada gaming commission at (here insert place of hearing) on the ..... day of ....., 19....., at the hour of ....., upon the charges made in the statement of reasons served upon you. You may be present at the hearing and may be, but need not be, represented by counsel. You may present any relevant evidence, and you will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to the issuance of subpoenas to compel the attendance of witnesses and the production of books, documents, or other things by applying to the Nevada gaming commission.

(Added to NRS by 1975, 1445)

463A.100 Subpoenas; witness fees; depositions; affidavits.

1. Before a hearing before the commission, and during a hearing upon reasonable cause shown, the commission shall issue subpoenas and subpoenas duces tecum at the request of a party. All witnesses appearing pursuant to subpoena, other than parties, officers or employees of the State of Nevada or any political subdivision thereof, are entitled to fees and mileage in the same amounts and under the same circumstances as provided by law for witnesses in civil actions in the district courts. Witnesses entitled to fees or mileage who attend hearings at points so far removed from their residences as to prohibit return thereto from day to day are entitled, in addition to witness fees and in lieu of mileage, to the per diem compensation for subsistence and transportation authorized for state officers and employees for each day of actual attendance and for each day necessarily occupied in traveling to and from the hearings. Fees, subsistence and transportation expenses must be paid by the party at whose request the witness is subpoenaed. The commission may, in its discretion, award as costs the amount of all such expenses to the prevailing party.

2. The testimony of any material witness residing within or without the State of Nevada may be taken by deposition in the manner provided by the Nevada Rules of Civil Procedure.

3. Affidavits may be received in evidence at any hearing of the commission in accordance with the following:

(a) The party wishing to use an affidavit shall, not less than 10 days prior to the day set for hearing, serve upon the opposing party or counsel, either personally or by registered or certified mail, a copy of the affidavit which he proposes to introduce in evidence together with a notice as provided in paragraph (c).

(b) Unless the opposing party, within 7 days after such service, mails or delivers to the proponent a request to cross-examine affiant his right to cross-examine the affiant is waived and the affidavit, if introduced in evidence, must be given the same effect as if the affiant had testified orally. If an opportunity to cross-examine an affiant is not afforded after request therefor is made in accordance herewith, the affidavit may be introduced in evidence, but must be given only the same effect as other hearsay evidence.

(c) The notice referred to in paragraph (a) must be substantially in the following form:

The accompanying affidavit of (here insert name of affiant) will be introduced as evidence at the hearing set for the ..... day of ....., 19..... (Here insert name of affiant) will not be called to testify orally and you will not be entitled to question him unless you notify the undersigned that you wish to cross-examine him. To be effective your request must be mailed or delivered to the undersigned on or before 7 days from the date this notice and the enclosed affidavit are served upon you.

(Party or Counsel)

(Address)

(Added to NRS by 1975, 1445; A 1985, 427)

#### 463A.110Hearing: Procedures.

1. At least three members of the commission shall be present at every hearing upon a recommended disqualification, and they shall exercise all powers relating to the conduct of the hearing and shall enforce all decisions with respect thereto.

2. The proceedings at the hearing shall be reported either stenographically or by a phonographic reporter.

3. Oral evidence shall be taken only upon oath or affirmation administered by the commission.

4. Every party to a hearing is entitled:

(a) To call and examine witnesses;

(b) To introduce exhibits relevant to the issues of the case, including the transcript of testimony at any investigative hearing conducted by or on behalf of the board or the commission;

(c) To cross-examine opposing witnesses on any matters relevant to the issues of the case, even though the matter was not covered in a direct examination;

(d) To impeach any witness regardless of which party first called him to testify; and

(e) To offer rebuttal evidence.

5. If the respondent does not testify in his own behalf, he may be called and examined as if under cross-examination.

6. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted and is sufficient in itself to support a finding if it is the sort of evidence on

which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in a civil action.

7. The parties or their counsel may by written stipulation agree that certain specified evidence may be admitted even though such evidence might otherwise be subject to objection.

(Added to NRS by 1975, 1446)

#### 463A.120Hearing: Official notice.

The commission may take official notice of any generally accepted information or technical or scientific matter within the field of gaming, and of any other fact which may be judicially noticed by the courts of this state. The parties shall be informed of any information, matters or facts so noticed, and shall be given a reasonable opportunity, on request, to refute such information, matters or facts by evidence or by written or oral presentation of authorities, the manner of such refutation to be determined by the commission.

(Added to NRS by 1975, 1447)

#### 463A.130Hearing: Amended and supplemental notices and statements.

The commission may, before submission of the matter for decision, permit the filing of amended or supplemental notices or statements, and shall notify all parties thereof and provide a reasonable opportunity for objections thereto.

(Added to NRS by 1975, 1447)

#### 463A.140Hearing: Contempt.

If any person in proceedings before the commission disobeys or resists any lawful order or refuses to respond to a subpoena, or refuses to take the oath or affirmation as a witness or thereafter refuses to be examined, or is guilty of misconduct during the hearing or so near the place thereof as to obstruct the proceeding, the commission may certify the facts to the district court in and for the county where the proceedings are held. The court shall thereupon issue an order directing the person to appear before the court and show cause why he should not be punished as for contempt. The court order and a copy of the statement of the commission shall be served on the person cited to appear. Thereafter the court has jurisdiction of the matter, and the same proceedings shall be had, the same penalties may be imposed and the person charged may purge himself of the contempt in the same way as in the case of a person who has committed a contempt in the trial of a civil action before a district court.

(Added to NRS by 1975, 1447)

#### 463A.150Failure to file notice of defense or appear.

Failure of a respondent to file a notice of defense or to request or appear at the hearing constitutes an admission of all matters and facts contained in the complaint filed with respect to such respondent. In such cases the commission may take action based upon such admission or upon any other evidence, including affidavits, and without any further notices whatever to respondent. In such cases the commission shall prepare and file a record containing the evidence upon which its action was based.

(Added to NRS by 1975, 1447)

#### 463A.160Disqualification: Written decision; notice.

If a person is disqualified after a hearing, the commission shall prepare and file a written decision setting forth the reasons on which its order is based. Whenever a person is disqualified, the commission shall in writing notify that person and the labor organization, stating what functions the person is disqualified from performing.

(Added to NRS by 1975, 1447)

#### 463A.170Rehearing.

The commission may, upon motion therefor made within 10 days after service of a decision and order, order a rehearing before the commission upon such terms and conditions as it may deem just and proper if a petition for judicial review of the decision and order has not been filed. Such motion shall not be granted except upon a showing that there is additional evidence which is material and necessary and reasonably calculated to change

the decision of the commission, and that sufficient reason existed for failure to present such evidence at the hearing of the commission. The motion shall be supported by an affidavit of the moving party or his counsel showing with particularity the materiality and necessity of the additional evidence and the reason why it was not introduced at the hearing. Upon rehearing, rebuttal evidence to the additional evidence shall be permitted. After rehearing, the commission may modify its decision and order as the additional evidence may warrant. (Added to NRS by 1975, 1448)

#### 463A.180 Judicial review: Petition; intervention; stay of enforcement.

1. Any person aggrieved by a final decision or order of the commission made after hearing or rehearing by the commission, whether or not a petition for rehearing was filed, may obtain a judicial review thereof in the district court of the county in which the petitioner resides or has its principal office.
2. The judicial review shall be instituted by filing a petition within 20 days after the effective date of the final decision or order. A petition may not be filed while a petition for rehearing or a rehearing is pending before the commission. The petition shall set forth the order or decision appealed from and the grounds or reasons why petitioner contends a reversal or modification should be ordered.
3. Copies of the petition shall be served upon the commission and all other parties of record, or their counsel of record, either personally or by certified mail.
4. The court, in its discretion, upon a proper showing, may permit other interested persons to intervene as parties to the appeal or as friends of the court.
5. The filing of the petition shall not stay enforcement of the decision or order of the commission, but the commission itself may grant a stay upon such terms and conditions as it deems proper. (Added to NRS by 1975, 1448)

#### 463A.190 Judicial review: Record on review.

1. Upon written request of petitioner and upon payment of such reasonable costs and fees as the commission may prescribe, the complete record on review, or such parts thereof as are designated by the petitioner, shall be prepared by the commission.
2. The complete record on review shall include copies of:
  - (a) All notices and statements in the matter;
  - (b) All notices and interim orders issued by the commission in connection with the matter;
  - (c) All stipulations;
  - (d) The decision and order appealed from;
  - (e) A transcript of all testimony, evidence and proceedings at the hearing;
  - (f) The exhibits admitted or rejected; and
  - (g) Any other papers in the matter.The original of any document may be used in lieu of a copy thereof. The record on review may be shortened by stipulation of all parties to the review proceedings.
3. The record on review shall be filed with the reviewing court within 30 days after service of the petition for review, but the court may allow the commission additional time to prepare and transmit the record on review. (Added to NRS by 1975, 1448)

#### 463A.200 Judicial review: Additional evidence taken by commission.

The reviewing court may, upon motion therefor, order that additional evidence in the matter be taken by the commission upon such terms and conditions as the court may deem just and proper. Such motion shall not be granted except upon a showing that the additional evidence is material and necessary and that sufficient reason existed for failure to present such evidence at the hearing of the commission. The motion shall be supported by an affidavit of the moving party or his counsel showing with particularity the materiality and necessity of the additional evidence and the reason why it was not introduced in the administrative hearing. Rebuttal evidence to the additional evidence shall be permitted. In matters in which additional evidence is presented to the commission, the commission may modify its decisions and orders as the additional evidence may warrant and shall file with the reviewing court a transcript of the additional evidence together with any modifications of the decision and order, all of which shall become a part of the record on review. (Added to NRS by 1975, 1449)

463A.210Judicial review: Review confined to record.

The review shall be conducted by the court sitting without a jury, and shall not be a trial de novo but shall be confined to the record on review.

(Added to NRS by 1975, 1449)

463A.220Judicial review: Court may affirm, remand or reverse.

The reviewing court may affirm the decision and order of the commission, or it may remand the matter for further proceedings or reverse the decision if the substantial rights of the petitioner have been prejudiced because the decision is:

1. In violation of constitutional provisions;
2. In excess of the statutory authority or jurisdiction of the commission;
3. Made upon unlawful procedure;
4. Unsupported by any substantial evidence; or
5. Arbitrary or capricious or otherwise not in accordance with law.

(Added to NRS by 1975, 1449)

463A.230Judicial review: Appeal to supreme court.

Any party aggrieved by the final decision in the district court after a review of the commission decision and order may appeal to the supreme court in the manner and within the time provided by law for appeals in civil cases. The supreme court shall follow the same procedure thereafter as in appeals in civil actions, and may affirm, reverse or modify the decision as the record and law shall warrant.

(Added to NRS by 1975, 1449)

463A.240Judicial review: Exclusive method of review.

The judicial review by the district and supreme courts afforded in this chapter is the exclusive method of review of commission actions, decisions and orders, and precludes the use of any of the extraordinary common law writs or other equitable proceedings.

(Added to NRS by 1975, 1449)

463A.250Injunction; fine.

1. If, 10 days or more after notice of disqualification is given, a person performs any function for which he is disqualified, the commission may bring an action in the district court for the county where the person is performing the function or where the labor organization has its principal office, for an injunction restraining:

- (a) The disqualified person from performing any function for which he is disqualified;
- (b) The labor organization, after the expiration of the 10-day period, if it has permitted the person to perform such function, from collecting any dues, assessments, levies, fines or other charges in this state from gaming casino employees; or
- (c) Both the disqualified person and the labor organization from these activities respectively.

2. In any such action, a temporary restraining order or a preliminary injunction, or both, may be obtained in accordance with the Nevada Rules of Civil Procedure.

3. In addition or as an alternative to enjoining the labor organization, the court may impose upon the labor organization a fine of not more than \$10,000 for each day that the disqualified person performs any function for which he is disqualified after the entry of the court's order.

(Added to NRS by 1975, 1449)

463A.260Rights of collective bargaining and concerted action not impaired if representative not disqualified.

The provisions of this chapter do not deny or limit in any way the legitimate rights of gaming casino employees to bargain collectively or otherwise to engage in concerted activity for their mutual aid and protection through representatives of their own choosing, if such representatives are not disqualified pursuant to the provisions of this chapter.

(Added to NRS by 1975, 1450)

## CHAPTER 463B SUPERVISION OF CERTAIN GAMING ESTABLISHMENTS

### 463B.010 Definitions.

As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 463B.020 and 463B.040 have the meanings ascribed to them in those sections.  
(Added to NRS by 1979, 804)

### 463B.020 "Commission" defined.

"Commission" means the Nevada gaming commission.  
(Added to NRS by 1979, 804)

### 463B.040 "Supervisor" defined.

"Supervisor" means the person appointed by a district court as a fiduciary to manage and control a gaming establishment pursuant to this chapter.  
(Added to NRS by 1979, 804)

### 463B.050 State policy concerning continued operation of gaming establishment whose license is surrendered, lapsed, suspended or revoked.

The legislature hereby finds, and declares it to be the policy of this state, that:

1. The stability and continuity of gaming establishments in this state are essential to the state's economy and to the general welfare of its residents.
2. Any closure of a gaming establishment because of a surrender, lapse, revocation or suspension of its license may cause unnecessary financial hardship to its employees, creditors and investors and may have an adverse economic effect on the residents of the community in which it is located and on the state generally.
3. Public confidence and trust in the ability of the state to control gaming operations must not be sacrificed by any relaxation of strict controls in particular circumstances merely to permit gaming operations to continue.
4. Placing the management and control of a gaming establishment whose license is surrendered, lapsed, suspended or revoked under a competent supervisory official may ensure the proper regulation of the establishment while maintaining its value for its creditors and investors, protecting the interests of other persons, avoiding any disruption of the economy of the community in which it is located, and promoting the general welfare of the state.

(Added to NRS by 1979, 804; A 1981, 1066; 1991, 1012)

### 463B.060 Applicability of chapter.

This chapter applies only to gaming establishments:

1. Having 16 or more slot machines; or
2. Having any number of slot machines together with any other game or gaming device.

(Added to NRS by 1979, 804)

### 463B.070 Regulations.

1. The commission shall adopt regulations pertaining to the administration of gaming establishments by a supervisor and any other matters relating to supervisors which are not inconsistent with this chapter.
2. The regulations must be adopted, amended and repealed in conformance with the requirements of chapter 463 of NRS.

(Added to NRS by 1979, 804)

### 463B.075 Hearing upon suspension of license regarding appointment of supervisor; notice.

The commission shall hold a hearing within 15 days after the suspension of a license pursuant to NRS 463.311 regarding the appointment of a supervisor. The commission shall notify the licensee of the meeting and afford the licensee the opportunity to be heard concerning the appointment.  
(Added to NRS by 1985, 1726)

#### 463B.080 Appointment of supervisor.

1. Except as otherwise provided in subsection 5, if the license of any person whose license is essential to the operation of a gaming establishment:
  - (a) Is revoked by the commission;
  - (b) Is suspended by the commission;
  - (c) Lapses; or
  - (d) Is surrendered because the gaming establishment or the ownership thereof has been conveyed or transferred to a secured party who does not possess the licenses necessary to operate the establishment, only the commission may ex parte petition the district court for the county in which the gaming establishment is located for appointment by the court of a supervisor to manage the establishment. The petition is discretionary with the commission and this chapter does not create any property right or interest in continued gaming at the establishment.
2. The petition must contain the names of two or more persons who the commission believes are suitable and qualified to manage a gaming establishment and are available for appointment as a supervisor unless, in the opinion of the commission, only one person is available who is qualified to serve, in which case the commission may name only that person.
3. Upon receipt of such a petition, the court shall appoint as supervisor of the gaming establishment a person who is listed in the petition. The court shall immediately notify the commission of the appointment. Upon receipt of notice from the court, the commission shall immediately notify all interested licensees.
4. The petition may be presented pursuant to this section even if time has not expired for a petition for judicial review of the final determination of the commission to revoke or suspend the gaming license.
5. The commission shall not petition any court for the appointment of a supervisor pursuant to this section if:
  - (a) The gaming establishment has never been in operation and opened to the public.
  - (b) A rehearing has been granted by the commission to the licensee on the revocation or suspension of his license and the rehearing has not been concluded.
  - (c) The gaming establishment is, or reasonably appears to be, insolvent.
6. If the commission does not petition for the appointment of a supervisor, no district court of this state may issue an order which allows gaming to continue at the establishment.  
(Added to NRS by 1979, 805; A 1981, 1066; 1987, 189; 1991, 1013)

#### 463B.090 Limitations on order of court to stay appointment or enjoin supervisor.

No district court of this state may issue any order:

1. To stay the appointment of a supervisor appointed pursuant to this chapter, whether or not a petition has been filed for judicial review of the commission's determination to revoke or suspend the license required for operation of the gaming establishment.
2. To enjoin a supervisor from exercising his duties and powers pursuant to this chapter.  
(Added to NRS by 1979, 805)

#### 463B.100 Compensation of supervisor and other persons.

The court which appoints the supervisor shall allow reasonable compensation, out of the revenue of the gaming establishment, for the services, costs and expenses of the supervisor and for any other persons whom the supervisor may engage to aid him in his duties.  
(Added to NRS by 1979, 806)

#### 463B.110 Supervisor subject to gaming laws and regulations; jurisdiction of court over powers and duties of supervisor; effect of appointment of supervisor on license and operation.

1. A supervisor is subject to the provisions of chapter 463 of NRS and any regulations adopted pursuant thereto as if he were personally licensed to operate the gaming establishment.

2. The court which appointed the supervisor has jurisdiction over all powers and duties of the supervisor in any proceeding relating to the exercise of those powers and duties, and may issue any order or decree in the proceeding which it deems necessary.

3. After the court appoints a supervisor the gaming license of the establishment shall be deemed transferred and the previously licensed operation shall be deemed a continuing operation.

(Added to NRS by 1979, 805; A 1991, 1014)

#### 463B.120 Powers and duties of supervisor under gaming license issued by municipality.

A supervisor shall be deemed to be a licensee of the gaming establishment under any license issued to operate the gaming establishment by a county, city or town, and may perform all acts that he is required or permitted to perform without approval or other action of the county, city or town.

(Added to NRS by 1979, 805)

#### 463B.130 Vesting of property interests in supervisor; duty to protect property.

1. Upon the appointment of a supervisor, the right, title and interest of all persons in the gaming establishment is extinguished and automatically vests in the supervisor, subject to any liens, claims and encumbrances thereon.

2. The supervisor shall protect the money and property so acquired by managing it on a prudent businesslike basis.

(Added to NRS by 1979, 806)

#### 463B.140 Disposition of certain securities does not affect supervisor.

Except as provided in NRS 463B.220, 463B.230 and 463B.240, any sale, assignment, transfer, pledge or other disposition of any securities issued by a former or suspended licensee while a supervisor is appointed does not divest or otherwise affect the powers of the supervisor.

(Added to NRS by 1979, 806)

#### 463B.150 Duties of supervisor.

The supervisor shall:

1. Take immediately into his possession all property of the gaming establishment, including its money, accounts, books, records and evidences of debts owed to the establishment.

2. Continue the business of the gaming establishment.

(Added to NRS by 1979, 806)

#### 463B.160 Powers of supervisor.

The supervisor may:

1. Hire, discipline and dismiss employees of the gaming establishment, and fix the compensation of its employees.

2. Engage independent legal counsel and accountants.

3. Settle or compromise with any debtor or creditor of the gaming establishment.

4. Prosecute actions on behalf of or defend actions against the gaming establishment.

5. Enter into any contract or borrow money on behalf of the gaming establishment and pledge, mortgage or otherwise encumber its property as security for the repayment of any loan, except that the power to borrow money or encumber property is limited by any provision of an existing document of credit.

6. Grant or renew leases of the property of the gaming establishment.

7. Perform any other lawful acts on behalf of the gaming establishment which an owner is entitled to perform. This subsection does not authorize sale of the establishment by the supervisor.

(Added to NRS by 1979, 806)

#### 463B.170 Retention of books, records, evidences of debt and accounts in state.

Unless otherwise authorized by the court, if a gaming establishment is under the control of a supervisor:

1. All the books and records relating to the operation of the establishment and all evidences of debts owed to the establishment must be kept and retained in the State of Nevada.

2. All the money of the establishment which is to be deposited with financial institutions must be kept in accounts in financial institutions located in this state.  
(Added to NRS by 1979, 809)

#### 463B.180 Order compelling delivery of property to supervisor.

If any property of a gaming establishment is sold, leased or otherwise conveyed or hypothecated in violation of NRS 463B.280, or if any property of the establishment is withheld from a supervisor after his appointment, the supervisor may petition the district court in the district where the gaming establishment is located for an order compelling delivery of the property to the supervisor.  
(Added to NRS by 1979, 809)

#### 463B.190 Effect of appointment of supervisor upon obligations of establishment.

This chapter does not affect the right of a creditor to commence or continue foreclosure or other proceedings to collect a secured or unsecured debt, and, consistent with the public policy of this chapter, the appointment of a supervisor must not be treated as an event precipitating a default or acceleration under any note, lease, deed of trust or other extension of credit. Except as provided in this chapter, the supervisor is not entitled to assert any right, claim or defense other than one available to the gaming establishment or any licensee or former licensee connected therewith.  
(Added to NRS by 1979, 806)

#### 463B.200 Distribution to former legal owner; exceptions.

1. Except as otherwise provided in subsection 2 and subject to prior approval by the court which appointed him, a supervisor may, consistently with regulations to be adopted by the commission, make periodic distribution of earnings to the former legal owner of the gaming establishment.
2. Upon petition to the court by the commission, earnings that would otherwise be distributed pursuant to subsection 1 must, except as otherwise provided in this subsection, be paid into the court pending judicial review of the final determination of the commission. An amount of the earnings which represents the reasonable rental value of the premises must be retained by the supervisor for distribution to the former legal owner. If the commission has ordered suspension or revocation of a license and:
  - (a) The commission's order of suspension or revocation is upheld after final judicial review; and
  - (b) The gaming establishment is sold pursuant to this chapter,all earnings, except the amount representing the reasonable rental value of the premises as determined by the court, which were paid into the court pursuant to this subsection are forfeited and must be deposited in the state general fund. If that order is reversed or otherwise modified and the former legal owner regains his license, the earnings must be distributed to him.  
(Added to NRS by 1979, 807; A 1985, 804; 1991, 1014)

#### 463B.210 Reports by supervisor: Filing; inspection.

1. A supervisor shall file with the court which appointed him and the commission reports on the administration of the gaming establishment in such form and at such intervals as the court may prescribe.
2. The reports may be made available for inspection by any creditor of the establishment or person having a substantial interest in it, and the court may direct that copies of the reports be mailed to those creditors or persons.  
(Added to NRS by 1979, 807)

#### 463B.220 Sale of gaming establishment by former owner: Conditions; approval of court.

If:

1. Any person who owned an interest in a gaming establishment at the date of appointment of a supervisor thereof secures a willing and able buyer for the establishment before the time when the supervisor must offer the property for sale pursuant to NRS 463B.230;
2. The persons who owned a majority of the interest in the establishment on the date of the supervisor's appointment approve the terms and conditions of the proposed sale; and
3. The buyer obtains a license to operate the establishment within 6 months after the time when the supervisor must offer the property for sale pursuant to NRS 463B.230,

the supervisor shall petition the court which appointed him for approval of the sale, providing notice to parties as the court may direct, and, if the court grants approval, shall carry out the sale on the terms and conditions agreed to between the parties.

(Added to NRS by 1979, 807)

463B.230 Sale of gaming establishment by supervisor: Time; conditions; approval of court.

1. Except as provided in subsection 2, the supervisor of a gaming establishment shall offer the gaming establishment for sale:
  - (a) At any time before the time described in paragraph (b), (c) or (d), when requested in writing by the owners of a majority of the equity interest in the establishment to initiate sale proceedings;
  - (b) Six months after refusal by the commission to renew the license for the establishment for failure of a licensee to fulfill a condition of his license;
  - (c) If no petition for judicial review is taken from the determination of the commission to revoke or suspend the license, 6 months after the last date on which a petition for judicial review could have been filed; or
  - (d) If a petition for judicial review is taken, 6 months after exhaustion of any right of appeal in the courts of this state resulting in a final determination which upholds the revocation or suspension of the license, whichever date is later.
2. The supervisor shall not offer the gaming establishment for sale if a timely sale of the establishment has been consummated pursuant to NRS 463B.220.
3. The supervisor shall exert his best efforts to secure a buyer for the gaming establishment, including advertising, to assure a fair price. He may employ brokers and other persons to assist him in securing a suitable buyer.
4. A supervisor shall not accept any offer to purchase the gaming establishment made by a person who does not possess a license issued pursuant to chapter 463 of NRS which would permit him to operate the establishment, except that the supervisor may accept an offer which is contingent upon the buyer's procuring such a license.
5. The supervisor shall petition the district court which appointed him for approval of the terms and conditions of the sale. If the court approves the sale, the supervisor shall, if the buyer obtains a license to operate the establishment, consummate the sale.

(Added to NRS by 1979, 807)

463B.240 Sale of gaming establishment: Notice; transfer of property to buyer; payment of proceeds to former owners.

The following provisions apply to any sale of a gaming establishment pursuant to this chapter:

1. All known creditors and other persons designated by the court who are known to have had a legal ownership interest in the gaming establishment immediately prior to the appointment of the supervisor must be notified of the proposed sale at least 30 days before the hearing on the petition for approval of the sale. The notice must be delivered personally or sent by registered or certified mail to the last known address of each such person. The court shall also order that notice be published in a newspaper of general circulation in the county in which the establishment is located. If the address of a creditor or owner is not known, or personal service is not possible for some other reason, service by publication shall be deemed adequate. Any person so notified may file with the court a statement of objections to the proposed sale, including all grounds for the objections no later than 10 days before the hearing.
2. Upon completion of a sale pursuant to this chapter, the appointment of the supervisor terminates, except that he shall convey all his right, title and interest in the property of the gaming establishment to the buyer and shall pay the net proceeds of the sale to those persons who owned the property at the time he acquired it, or their successors or assignees, according to their respective interests.

(Added to NRS by 1979, 808)

463B.250 Objection to suitability of supervisor; petition for account or review of qualifications or performance of supervisor; petition for removal of supervisor or termination of supervision.

1. Any person who suffers or is likely to suffer direct financial injury as the result of an act or omission of a supervisor may file an objection with the commission to the suitability of the supervisor.

2. Any person described in subsection 1 may petition the district court which made the appointment for an accounting or for a review of the supervisor's qualifications or performance.

3. If at any time the district court finds that a supervisor is not qualified or available to serve as supervisor, it shall request from the commission the names of two or more persons who the commission believes are suitable and qualified to manage a gaming establishment and are available to serve as a supervisor unless, in the opinion of the commission, only one person is available who is qualified to serve, in which case the commission may name only that person.

4. The commission may, at any time after the appointment of a supervisor, petition the court for the removal of the supervisor and the appointment of a new supervisor or for the termination of the supervision.

(Added to NRS by 1979, 807; A 1991, 1014)

#### 463B.260 Certain circumstances requiring termination of appointment of supervisor.

The appointment of a supervisor terminates if any court of this state or of the United States overrules the commission's decision to revoke or suspend the license for operation of the gaming establishment, or if the commission's petition for termination is granted, except that the supervisor shall transfer to the appropriate persons their respective interests in the establishment.

(Added to NRS by 1979, 809)

#### 463B.270 Limitation on personal liability of supervisor.

A supervisor is not personally liable for:

1. Any secured or unsecured debt of the gaming establishment incurred before, during or after his appointment.
2. Any penalty which may be assessed against a former licensee for his failure to pay or the late payment of any license fee or tax levied pursuant to chapter 463 of NRS.
3. Any act or omission made by him in the exercise of prudent business judgment or pursuant to an order of any court.

(Added to NRS by 1979, 806)

#### 463B.280 Unlawful acts; penalty.

1. It is unlawful for a person during the pendency of any proceeding before the commission which may result in the appointment of a supervisor or during the period of supervision:

(a) To sell, lease or otherwise convey for less than full market value or to hypothecate any property of a gaming establishment.

(b) To remove from this state or secrete from the commission or the supervisor of a gaming establishment any property, money, books or records of the establishment, including evidences of debts owed to it.

2. A person who violates any provision of subsection 1 is guilty of a category D felony and shall be punished as provided in NRS 193.130.

(Added to NRS by 1979, 809; A 1995, 1295)

## CHAPTER 464

### **PARI-MUTUEL WAGERING**

#### 464.005 Definitions.

As used in this chapter, unless the context otherwise requires:

1. "Off-track pari-mutuel system" means a computerized system, or component of such a system, that is used with regard to a pari-mutuel pool to transmit information such as amounts wagered, odds and payoffs on races.

2. "Off-track pari-mutuel wagering" means any pari-mutuel system of wagering approved by the Nevada gaming commission for the acceptance of wagers on:

(a) Races which take place outside of this state; or

(b) Sporting events.

3. "Operator of a system" means a person engaged in providing an off-track pari-mutuel system.

4. "Pari-mutuel system of wagering" means any system whereby wagers with respect to the outcome of a race or sporting event are placed in a wagering pool conducted by a person licensed or otherwise permitted to do so under state law, and in which the participants are wagering with each other and not against that person. The term includes off-track pari-mutuel wagering.

(Added to NRS by 1983, 1891; A 1985, 518; 1987, 634; 1991, 1845; 1993, 2049; 1995, 1501)

#### 464.010 Licenses required.

1. It is unlawful for any person, either as owner, lessee or employee, whether for hire or not, to operate, carry on, conduct or maintain in this state, any form of wagering under the pari-mutuel system on any racing or sporting event without having first procured and maintained all required federal, state, county and municipal licenses.

2. It is unlawful for any person to function as an operator of a system without having first obtained a state gaming license.

3. Where any other state license is required to conduct a racing or sporting event, that license must first be procured before the pari-mutuel system of wagering may be licensed in connection therewith.

[1:231:1949; 1943 NCL § 6226.01] + [Part 10:231:1949; 1943 NCL § 6226.10]--(NRS A 1965, 521; 1973, 463; 1981, 1102; 1983, 1892; 1991, 1845)

#### 464.015 Fee for issuance or renewal of license; disposition.

1. In addition to any other fees imposed by law, the Nevada gaming commission shall charge and collect a fee of \$500 from each applicant for the issuance or renewal of a license as an operator of a system. The fee must be charged and collected on or before December 31 for the ensuing calendar year.

2. Each such license must be issued for the calendar year and expires on December 31. The Nevada gaming commission shall not prorate the fee for a license that is issued for less than 1 year.

3. All fees collected pursuant to this section must be paid over immediately to the state treasurer to be deposited to the credit of the state general fund.

(Added to NRS by 1993, 315; A 1995, 208)

#### 464.020 Administration by Nevada gaming commission: Powers and duties; regulations.

1. The Nevada gaming commission is charged with the administration of this chapter for the protection of the public and in the public interest.

2. The Nevada gaming commission may issue licenses permitting the conduct of the pari-mutuel system of wagering, including off-track pari-mutuel wagering, and may adopt, amend and repeal regulations relating to the conduct of such wagering.

3. The wagering must be conducted only by the licensee at the times determined by the Nevada gaming commission and only:

(a) Within the enclosure wherein the race or other sporting event which is the subject of the wagering occurs; or

(b) Within a licensed gaming establishment which has been approved to conduct off-track pari-mutuel wagering.

This subsection does not prohibit a person licensed to accept, pursuant to regulations adopted by the Nevada gaming commission, off-track pari-mutuel wagers from accepting wagers made by wire communication from patrons within the State of Nevada or from states in which such wagering is legal.

4. The regulations of the Nevada gaming commission may include, without limitation:

(a) Requiring fingerprinting of an applicant or licensee, or other method of identification.

(b) Requiring information concerning an applicant's antecedents, habits and character.

(c) Prescribing the method and form of application which any applicant for a license issued pursuant to this chapter must follow and complete before consideration of his application by the Nevada gaming commission.

5. The Nevada gaming commission may appoint a committee consisting of persons who are licensed to engage in off-track pari-mutuel wagering. The commission may grant to that committee the exclusive right to negotiate an agreement relating to off-track pari-mutuel wagering with:

(a) A person who is licensed or otherwise permitted to operate a wagering pool in another state; and

(b) A person who is licensed pursuant to chapter 464 of NRS as an operator of a system.

6. The Nevada gaming commission shall, and it is granted the power to, demand access to and inspect all books and records of any person licensed pursuant to this chapter pertaining to and affecting the subject of the license.

[2:231:1949; 1943 NCL § 6226.02] + [Part 7:231:1949; A 1951, 538; 1953, 701]--(NRS A 1959, 455; 1965, 521; 1973, 463; 1981, 1947; 1983, 1892; 1991, 2148; 1995, 1501)

464.025 Regulations governing off-track pari- mutuel wagering; sharing of revenue; approval of commission.

1. The Nevada gaming commission, upon the recommendation of the state gaming control board, may adopt regulations for:

(a) The conduct by a licensee of off-track pari- mutuel wagering on a race or sporting event; and

(b) The approval of the terms and conditions of any agreement between a licensee and an agency of the state in which the race or sporting event takes place or a person licensed or approved by that state to participate in the conduct of the race or sporting event or the pari-mutuel system of wagering thereon.

2. A person or governmental agency must not receive any commission or otherwise share in the revenue from the conduct of off-track pari-mutuel wagering in this state without the approval of the Nevada gaming commission. The commission may approve any person or governmental agency after such investigation as the state gaming control board deems proper.

(Added to NRS by 1983, 1891; A 1991, 1080; 1993, 2049)

464.040 Limitations on amount and division of commissions; payment and disposition of taxes.

1. The total commission deducted from pari-mutuel wagering other than off-track pari-mutuel wagering by any licensee licensed pursuant to the provisions of this chapter must not exceed 18 percent of the gross amount of money handled in each pari-mutuel pool operated by him during the period of the license.

2. The total commission deducted from off-track pari-mutuel wagering must be determined by the Nevada gaming commission and may be divided between the persons licensed or approved to participate in the conduct of the race or event or the pari-mutuel system of wagering thereon. Such licensure or approval must be obtained pursuant to this chapter or chapter 463 of NRS and pursuant to regulations which may be adopted by the Nevada gaming commission.

3. Except as otherwise provided in NRS 464.045 for off-track pari-mutuel wagering, each licensee shall pay to the Nevada gaming commission quarterly on or before the last day of the first month of the following quarter of operation for the use of the State of Nevada a tax at the rate of 3 percent on the total amount of money wagered on any race or sporting event.

4. The licensee may deduct odd cents less than 10 cents per dollar in paying bets.

5. Except as otherwise provided in NRS 464.045 for off-track pari-mutuel wagering, the amount paid to the Nevada gaming commission must be, after deducting costs of administration which must not exceed 5 percent of the amount collected, paid over by the Nevada gaming commission to the state treasurer for deposit in the state general fund.

[Part 7:231:1949; A 1951, 538; 1953, 701]--(NRS A 1959, 456; 1960, 185; 1965, 522; 1967, 721; 1973, 464; 1979, 464; 1981, 1103; 1983, 1893; 1987, 635; 1989, 710; 1991, 938, 2148; 1993, 2050)

464.045 Calculation of fee for license to conduct off-track pari-mutuel wagering.

1. The provisions of subsections 3 and 5 of NRS 464.040 do not apply to persons licensed to conduct off-track pari-mutuel wagering.

2. A licensed gaming establishment which has been approved to conduct off-track pari-mutuel wagering shall include within gross revenue, for the purpose of determining the amount of the state license fee imposed by NRS 463.370, the amount of the commission deducted from off-track pari-mutuel wagering received by it, plus breakage and the face amount of unpaid winning tickets that remain unclaimed for a period specified by the commission.

(Added to NRS by 1983, 1892; A 1987, 635; 1989, 710; 1991, 1080, 2149)

464.050 Place for conducting and public viewing of wagering.

A licensee conducting any form of pari-mutuel wagering provided for in this chapter shall provide a place or places in the meeting grounds or enclosure or the licensed gaming establishment which has been approved to conduct off-track pari-mutuel wagering:

1. At which the licensee may conduct, operate and supervise the wagering.
  2. Where the progress of the betting and the odds paid may be open to public view.
- [4:231:1949; 1943 NCL § 6226.04]--(NRS A 1965, 522; 1983, 1894)

#### 464.060 Wagering outside enclosure or licensed establishment prohibited.

All other forms of wagering or betting on the results of any of the races or events licensed under this chapter outside the enclosure or establishment where the races, events or off-track pari-mutuel wagering are licensed by the Nevada gaming commission are illegal.

[5:231:1949; 1943 NCL § 6226.05]--(NRS A 1959, 457; 1983, 1894)

#### 464.070 Limitation on wager by agent; off-track wagering by agent prohibited.

A pari-mutuel wager placed at the enclosure where the wagered race or event is conducted may be made by an agent if the principal is present on the premises. All off-track pari-mutuel wagering must be done by a principal.

[6:231:1949; 1943 NCL § 6226.06]--(NRS A 1983, 1894)

#### 464.080 Suspension or revocation of license: Hearing; judicial review.

1. All licenses granted under this chapter are subject to suspension or revocation by the Nevada gaming commission in any case where the Nevada gaming commission has reason to believe that any condition of its license has not been complied with or that any law or regulation of the Nevada gaming commission has been broken or violated.

2. No license may be revoked or suspended until after a hearing had by the Nevada gaming commission. Such a hearing must be initiated by the filing of a complaint by the state gaming control board and must be conducted in accordance with the provisions of NRS 463.312 to 463.3145, inclusive.

3. The action of the Nevada gaming commission in revoking or suspending a license issued under this chapter is subject to court review in accordance with the provisions of NRS 463.315 to 463.318, inclusive.

[8:231:1949; 1943 NCL § 6226.08]--(NRS A 1959, 457; 1983, 1568)

#### 464.100 Penalty.

The violation of any of the provisions of this chapter or the regulations promulgated hereunder is a misdemeanor.

[9:231:1949; 1943 NCL § 6226.09]--(NRS A 1967, 587)

## CHAPTER 465 CRIMES AND LIABILITIES CONCERNING GAMING

#### 465.015 Definitions.

As used in this chapter:

1. "Cheat" means to alter the elements of chance, method of selection or criteria which determine:
    - (a) The result of a game;
    - (b) The amount or frequency of payment in a game;
    - (c) The value of a wagering instrument; or
    - (d) The value of a wagering credit.
  2. The words and terms defined in chapter 463 of NRS have the meanings ascribed to them in that chapter.
- (Added to NRS by 1981, 1292; A 1993, 830; 1995, 1502)

#### 465.070 Fraudulent acts.

It is unlawful for any person:

1. To alter or misrepresent the outcome of a game or other event on which wagers have been made after the

outcome is made sure but before it is revealed to the players.

2. To place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome.
3. To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a gambling game, with intent to defraud, without having made a wager contingent thereon, or to claim, collect or take an amount greater than the amount won.
4. Knowingly to entice or induce another to go to any place where a gambling game is being conducted or operated in violation of the provisions of this chapter, with the intent that the other person play or participate in that gambling game.
5. To place or increase a bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including past-posting and pressing bets.
6. To reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including pinching bets.
7. To manipulate, with the intent to cheat, any component of a gaming device in a manner contrary to the designed and normal operational purpose for the component, including, but not limited to, varying the pull of the handle of a slot machine, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game.

[1911 C&P § 198; RL § 6463; NCL § 10146] + [1911 C&P § 199; RL § 6464; NCL § 10147]--(NRS A 1967, 587; 1977, 477; 1979, 1476; 1981, 1292; 1987, 414; 1989, 1112)

#### 465.075 Use of device for calculating probabilities.

It is unlawful for any person at a licensed gaming establishment to use, or possess with the intent to use, any device to assist:

1. In projecting the outcome of the game;
2. In keeping track of the cards played;
3. In analyzing the probability of the occurrence of an event relating to the game; or
4. In analyzing the strategy for playing or betting to be used in the game, except as permitted by the commission.

(Added to NRS by 1985, 970)

#### 465.080 Use of counterfeit, unapproved or unlawful wagering instruments; possession of certain unlawful devices, equipment, products or materials.

1. It is unlawful for any licensee, employee or other person to use counterfeit chips, counterfeit debit instruments or other counterfeit wagering instruments in a gambling game, associated equipment or a cashless wagering system.
2. It is unlawful for any person, in playing or using any gambling game, associated equipment or cashless wagering system designed to be played with, receive or be operated by chips, tokens, wagering credits or other wagering instruments approved by the state gaming control board or by lawful coin of the United States of America:
  - (a) Knowingly to use other than chips, tokens, wagering credits or other wagering instruments approved by the state gaming control board or lawful coin, legal tender of the United States of America, or to use coin or tokens not of the same denomination as the coin or tokens intended to be used in that gambling game, associated equipment or cashless wagering system; or
  - (b) To use any device or means to violate the provisions of this chapter.
3. It is unlawful for any person, not a duly authorized employee of a licensee acting in furtherance of his employment within an establishment, to have on his person or in his possession on or off the premises of any licensed gaming establishment any device intended to be used to violate the provisions of this chapter.
4. It is unlawful for any person, not a duly authorized employee of a licensee acting in furtherance of his employment within an establishment, to have on his person or in his possession on or off the premises of any licensed gaming establishment any key or device known to have been designed for the purpose of and suitable for opening, entering or affecting the operation of any gambling game, cashless wagering system or drop box, or any electronic or mechanical device connected thereto, or for removing money or other

contents therefrom.

5. It is unlawful for any person to have on his person or in his possession any paraphernalia for manufacturing slugs. As used in this subsection, "paraphernalia for manufacturing slugs" means the equipment, products and materials that are intended for use or designed for use in manufacturing, producing, fabricating, preparing, testing, analyzing, packaging, storing or concealing a counterfeit facsimile of the chips, tokens, debit instruments or other wagering instruments approved by the state gaming control board or a lawful coin of the United States, the use of which is unlawful pursuant to subsection 2. The term includes, but is not limited to:

- (a) Lead or lead alloys;
- (b) Molds, forms or similar equipment capable of producing a likeness of a gaming token or United States coin;
- (c) Melting pots or other receptacles;
- (d) Torches;
- (e) Tongs, trimming tools or other similar equipment; and
- (f) Equipment which can be reasonably demonstrated to manufacture facsimiles of debit instruments or wagering instruments approved by the state gaming control board.

6. Possession of more than one of the devices, equipment, products or materials described in this section permits a rebuttable inference that the possessor intended to use them for cheating.

[1:239:1951; A 1955, 13] + [2:239:1951]--(NRS A 1965, 1467; 1967, 588; 1973, 445; 1977, 475; 1979, 1477; 1981, 1293; 1989, 971; 1991, 939; 1993, 830; 1995, 1502)

#### 465.083 Cheating.

It is unlawful for any person, whether he is an owner or employee of or a player in an establishment, to cheat at any gambling game.

(Added to NRS by 1967, 1282; A 1969, 408; 1977, 325; 1979, 1478; 1981, 1294)

#### 465.085 Unlawful manufacture, sale, distribution, marking, altering or modification of equipment and devices associated with gaming; unlawful instruction.

1. It is unlawful to manufacture, sell or distribute any cards, chips, dice, game or device which is intended to be used to violate any provision of this chapter.

2. It is unlawful to mark, alter or otherwise modify any associated equipment or gaming device, as defined in chapter 463 of NRS, in a manner that:

- (a) Affects the result of a wager by determining win or loss; or
- (b) Alters the normal criteria of random selection, which affects the operation of a game or which determines the outcome of a game.

3. It is unlawful for any person to instruct another in cheating or in the use of any device for that purpose, with the knowledge or intent that the information or use so conveyed may be employed to violate any provision of this chapter.

(Added to NRS by 1967, 1283; A 1975, 697; 1977, 386; 1979, 1478; 1981, 1294; 1989, 972)

#### 465.088 Penalties for violation of NRS 465.070 to 465.085, inclusive.

1. A person who violates any provision of NRS 465.070 to 465.085, inclusive, is guilty of a category B felony and shall be punished:

(a) For the first offense, by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, or by a fine of not more than \$10,000, or by both fine and imprisonment.

(b) For a second or subsequent violation of any of these provisions, by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$10,000. The court shall not suspend a sentence of imprisonment imposed pursuant to this paragraph, or grant probation to the person convicted.

2. A person who attempts, or two or more persons who conspire, to violate any provision of NRS 465.070

to 465.085, inclusive, each is guilty of a category B felony and shall be punished by imposing the penalty provided in subsection 1 for the completed crime, whether or not he personally played any gambling game or used any prohibited device.

(Added to NRS by 1981, 1292; A 1985, 970; 1995, 1295)

#### 465.090 Unlawful dissemination of information concerning racing; exemptions; penalty.

1. It is unlawful for a person to furnish or disseminate any information in regard to racing or races, from any point within this state to any point outside the State of Nevada, by telephone, telegraph, teletype, radio or any signaling device, with the intention that the information is to be used to induce betting or wagering on the result of the race or races, or with the intention that the information is to be used to decide the result of any bet or wager made upon the race or races.

2. This section does not prohibit:

(a) A newspaper of general circulation from printing and disseminating news concerning races that are to be run or the results of races that have been run; or

(b) The furnishing or dissemination of information concerning wagers made in an off-track pari-mutuel system of wagering approved by the Nevada gaming commission.

3. A person who violates the provisions of this section is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, or by a fine of not more than \$5,000, or by both fine and imprisonment.

[1:134:1941; 1931 NCL § 6225] + [2:134:1941; 1931 NCL § 6225.01]--(NRS A 1967, 588; 1979, 1478; 1989, 711; 1995, 1296)

#### 465.101 Detention and questioning of person suspected of violating chapter; limitations on liability; posting of notice.

1. Any licensee, or his officers, employees or agents may question any person in his establishment suspected of violating any of the provisions of this chapter. No licensee or any of his officers, employees or agents is criminally or civilly liable:

(a) On account of any such questioning; or

(b) For reporting to the state gaming control board or law enforcement authorities the person suspected of the violation.

2. Any licensee or any of his officers, employees or agents who has probable cause for believing that there has been a violation of this chapter in his establishment by any person may take that person into custody and detain him in the establishment in a reasonable manner and for a reasonable length of time. Such a taking into custody and detention does not render the licensee or his officers, employees or agents criminally or civilly liable unless it is established by clear and convincing evidence that the taking into custody and detention are unreasonable under all the circumstances.

3. No licensee or his officers, employees or agents are entitled to the immunity from liability provided for in subsection 2 unless there is displayed in a conspicuous place in his establishment a notice in boldface type clearly legible and in substantially this form:

Any gaming licensee, or any of his officers, employees or agents who has probable cause for believing that any person has violated any provision of chapter 465 of NRS prohibiting cheating in gaming may detain that person in the establishment.

(Added to NRS by 1971, 580; A 1973, 446; 1981, 1295; 1983, 564)

#### 465.110 Disposition of evidence seized by agent of state gaming control board.

1. After the final adjudication of a complaint involving a violation of this chapter or chapters 462 to 464, inclusive, of NRS, or of any other complaint involving the seizure of evidence by an agent of the board, the court may enter an appropriate order disposing of all physical evidence pertaining to the complaint, whether or not the evidence was introduced as an exhibit.

2. Except as otherwise provided in subsection 3, evidence seized by an agent of the board which does not result in a complaint charging a violation of the law and evidence for which an order of disposition is not entered pursuant to subsection 1, must be disposed of as follows:

(a) The board shall notify by certified mail each potential claimant of the evidence that he has 30 days after receipt of the notice within which to file a written claim with the board for return of the evidence.

(b) If more than one person files a claim for the evidence:

(1) The claimants may agree among themselves as to how they wish to divide the evidence, subject to the approval of the board;

(2) The claimants may agree to submit the matter to binding arbitration or any claimant may institute legal proceedings to determine the proper disposition of the evidence; or

(3) The board may file an action as an interpleader pursuant to N.R.C.P. 22 to determine the rightful claimant.

The board shall transfer the property to the claimants in accordance with any agreement approved by the board, final judgment or award made pursuant to the provisions of this section.

(c) A person who receives property from the board pursuant to this section shall execute such documents as are required by the board to defend, hold harmless, indemnify and release the board from any liability arising from the delivery of the property to the claimant.

(d) If no claim is submitted, the board shall deposit all money in the state treasury for credit to the state general fund and may use all other property for any lawful purpose. The board may dispose of any property which cannot be used for any lawful purpose in the manner provided in NRS 179.165.

3. Evidence which constitutes a device for cheating may not be returned to a claimant and must be retained by the board. The board shall periodically destroy such devices in the manner provided by regulations adopted by the commission.

(Added to NRS by 1987, 414; A 1989, 972; 1991, 1080)

## CHAPTER 466

### HORSE AND DOG RACING

466.010 Short title.

This chapter shall be known and may be cited as the Nevada Racing Act.  
[24:321:1951]--(NRS A 1973, 465)

466.015 Purpose of chapter.

The purposes of this chapter are to encourage the breeding of horses and greyhounds in this state, to produce an additional source of revenue for the state and to protect the general public.  
(Added to NRS by 1965, 527; A 1973, 465; 1981, 1600)

466.017 Definitions.

As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 466.018 to 466.029, inclusive, have the meanings ascribed to them in those sections.  
(Added to NRS by 1991, 704; A 1993, 2122)

466.018 "Board" defined.

"Board" means the state gaming control board.  
(Added to NRS by 1993, 2122)

466.019 "Chariot race" defined.

"Chariot race" means a horse race involving not more than eight horses per heat in which a team of two horses pulls a cart with two wheels.  
(Added to NRS by 1991, 704)

466.021 "Commission" defined.

"Commission" means the Nevada gaming commission.  
(Added to NRS by 1991, 704; A 1993, 2122)

466.022 "Cutter race" defined.

"Cutter race" means a horse race involving not more than eight horses per heat in which a team of two horses pulls a cart with two sleigh runners over snow.  
(Added to NRS by 1991, 704)

466.024 "Greyhound" defined.

"Greyhound" means a purebred greyhound dog registered by the National Greyhound Association.  
(Added to NRS by 1991, 704)

466.025 "Heat" defined.

"Heat" means one of several installments of a race which has two or more installments.  
(Added to NRS by 1991, 704)

466.026 "Horse" defined.

"Horse" means any equine, including a mule.  
(Added to NRS by 1991, 704)

466.028 "Pari-mutuel wagering" defined.

"Pari-mutuel wagering" means a system of placing wagers on a horse or greyhound race whereby the wager is placed at a window and equipment is used to pay a person's winnings in the precise amount of money wagered by persons who did not win, after deducting taxes owed and commissions charged by the race track.  
(Added to NRS by 1991, 704)

466.029 "Resort hotel" defined.

"Resort hotel" means any building or group of buildings that is maintained as and held out to the public to be a hotel where sleeping accommodations are furnished to the transient public and that has:

1. More than 1,000 rooms available for sleeping accommodations;
2. At least one bar with permanent seating capacity for more than 30 patrons that serves alcoholic beverages sold by the drink for consumption on the premises;
3. At least one restaurant with permanent seating capacity for more than 60 patrons that is open to the public 24 hours each day and 7 days each week; and
4. A gaming area within the building or group of buildings.

(Added to NRS by 1995, 878)

466.030 Jurisdiction of board and commission; regulations.

1. The jurisdiction, supervision, powers and duties of the board and the commission extend to all persons, associations or corporations which hold or conduct any meeting within the State of Nevada where any racing is permitted for any stake, purse or reward.
2. The commission, on the recommendation of the board, shall adopt regulations to carry out its powers and duties under this chapter.

[1:321:1951]--(NRS A 1973, 465; 1977, 1223; 1981, 1601, 1942; 1993, 2122)

466.045 Certain financial interests of member of board or commission prohibited.

No member of the board or commission may own or otherwise have a financial interest in any horse or greyhound which is entered in any race meet licensed pursuant to the provisions of this chapter.  
(Added to NRS by 1973, 465; A 1993, 2122)

466.065 Bonds for certain members and employees of board and commission.

The board and the commission shall maintain blanket fidelity bond coverage of all its members and employees who handle any of its money, unless such persons are covered by any blanket fidelity bond otherwise maintained by the State of Nevada.

(Added to NRS by 1973, 465; A 1993, 2122)

466.070 Employees; laboratory; offices; race meeting officials and stewards; delegation of certain duties of board.

1. The board is authorized:

(a) To employ at reasonable compensation a reasonable number of inspectors, judges, guards, experts, scientists, auditors, veterinarians and other employees or agents deemed by the board to be essential at or in connection with any race meeting to the best interests of racing.

(b) To maintain a testing laboratory and to purchase supplies and equipment for and in connection with the laboratory or other test or testing processes.

(c) To lease suitable premises for photography control.

2. At any race meeting all officials, as this term is customarily understood in racing, including, without limitation, placing judges, patrol judges, clerks of the scales, starters and assistants, handicapper, timer, paddock judge, racing secretary and clerk of the course, must be employed and paid by the licensee conducting the race meeting, but approved by the board.

3. There must be at least three stewards to supervise each race or meeting conducted pursuant to the provisions of this chapter. One or more of the stewards must be the official steward of the board, and the remaining steward or stewards must be appointed by the licensee, subject to the approval of the board. The stewards shall exercise such powers and perform such duties at each race meeting as may be prescribed by the regulations of the commission.

4. The board may delegate any of the powers and duties assigned to it by this section for a particular race meeting to the state fair association, agricultural society, county fair and recreation board or other association to which state or county aid is given, which is conducting the race meeting.

[5:321:1951; A 1953, 698]--(NRS A 1965, 522; 1993, 2123)

466.080 Account for racing and pari-mutuel wagering; disposition of proceeds of taxes; grants to licensees.

1. The account for racing and pari-mutuel wagering is hereby created within the state general fund. The board shall administer the account.

2. The board shall distribute the proceeds of the taxes collected pursuant to NRS 466.120 and subsection 1 of NRS 466.125 in the following order of priority:

(a) One percent of all pari-mutuel money handled on greyhound races, and on horse races which are not conducted by a state fair association, agricultural society, county fair and recreation board or other association to which state or county aid is given, to the city in which the races are conducted or, if the races are conducted outside any city, to the county in which they are conducted.

(b) Not more than 1 percent of all pari-mutuel money handled on greyhound races, and on horse races which are not conducted by a state fair association, agricultural society, county fair and recreation board or other association to which state or county aid is given, to the account for racing and pari-mutuel wagering.

(c) The remainder to the state general fund.

3. A licensee who has paid the taxes required by subsection 1 of NRS 466.125 may apply to the board to receive a grant from the account for racing and pari-mutuel wagering. The board may recommend approval and the commission, in its discretion, may approve a grant to the licensee for the exclusive use of providing capital improvements to the racing facility of the licensee, a purse for racing or promotion of the facility, in proportion to the amount of taxes paid to the commission by the licensee. The board may not recommend approval and the commission may not approve a grant if sufficient money is not available to pay the expenses of the board and the commission for the administration of this chapter.

[Part 7:231:1949; A 1951, 538; 1953, 701] + [17:321:1951]--(NRS A 1960, 185; 1965, 523; 1979, 110; 1981, 1703; 1983, 1998; 1991, 1112; 1993, 2123)

466.090 License required to conduct racing or pari-mutuel wagering; exceptions.

1. No person or persons, association or corporation, except state fair associations, agricultural societies, county fair and recreation boards, and other associations to which state or county aid is given, may hold or conduct any meeting within this state where racing is permitted for any stake, purse or reward, except when the person, association or corporation is licensed by the Nevada gaming commission as provided in this chapter.

2. Except as provided in chapter 464 of NRS, it is unlawful for any person, firm, association or corporation, either as owner, lessee or employee, whether for hire or not, except state fair associations, agricultural societies, county fair and recreation boards, and other associations to which state or county aid is given, to operate, carry on, conduct or maintain in this state any form of wagering under the system known as the pari-mutuel method of wagering on any racing event, without having first procured a license for the same as provided in this chapter.

[6:321:1951]--(NRS A 1965, 524; 1973, 465; 1981, 1942; 1983, 1894)

466.095 When license may be issued to conduct pari-mutuel wagering in connection with greyhound race.

The Nevada gaming commission shall not issue any license to conduct pari-mutuel wagering in connection with any greyhound race unless:

1. Greyhound racing is permitted by a special charter of a city to be conducted in that city and a license to conduct the race has been issued by the city council or other governing body of that city;
2. The county license board of a county whose population is less than 100,000 has issued a license to conduct the race in the county outside of an incorporated city; or
3. The track at which the greyhound racing will be held is located in a county whose population is 400,000 or more has issued a license to conduct the race and the race is to be conducted on the premises of a resort hotel.

(Added to NRS by 1973, 464; A 1977, 1039; 1979, 552; 1981, 1942; 1987, 1724; 1995, 879)

466.100 Application for license to conduct racing; investigation and recommendation by board; approval of locations for off-track wagering; disciplinary action; duration of license.

1. Any natural person, association or corporation desiring to conduct racing within the State of Nevada must apply to the board for a license so to do. The application must be in such form and supply such data and information as the board prescribes.
2. The board shall investigate the applicant, and any other person whom it believes necessary to determine the applicant's suitability to receive a license to conduct racing. The cost of the investigation must be paid by the applicant. The board shall recommend in writing to the commission either approval or denial of the license. If denial is recommended, the board shall prepare and file with the commission its written reasons for that recommendation. If the board recommends denial, the commission may grant the license only by unanimous vote of the members present.
3. Each license issued by the commission to conduct horse racing must be conditioned upon the licensee's approving any locations which may be established in this state for off-track pari-mutuel wagering as required by 15 U.S.C § 3004(b)(1)(A) as enacted and as this subsection may be amended from time to time.
4. The commission may revoke, modify or suspend a license, fine a licensee or refuse to issue a license if it has reasonable cause to believe that the public interest can best be served by such an action. Any such action, except the refusal to issue a license, must comply with the procedures set forth in NRS 463.310 to 463.3145, inclusive. The judicial review provided in NRS 463.315 to 463.318, inclusive, is available to any person aggrieved by the final decision of the commission to revoke or suspend a license or fine a licensee.
5. A license to conduct horse or dog racing issued by the commission continues to be valid without renewal unless it is suspended or revoked or the licensee changes the location at which he conducts racing or ceases to conduct racing.

[Part 7:321:1951]--(NRS A 1960, 186; 1965, 524; 1973, 466; 1975, 395; 1981, 1943; 1983, 1895, 1999; 1993, 2124)

466.102 Deposit of advance with application.

When an application is made for a license to conduct racing or pari-mutuel wagering, or both, the applicant shall deposit with the board an amount of money determined pursuant to NRS 463.331 to cover the expenses of investigation.

(Added to NRS by 1981, 1703; A 1993, 2125)

#### 466.104 Decision of commission final; preference in awarding dates.

The decision of the commission, on the recommendation of the board, concerning the award of all dates, the conduct of races and any other matter concerning racing is final, but the commission shall, in awarding dates, give preference to agricultural associations for the dates on which each has conducted racing in previous years.

(Added to NRS by 1983, 1998; A 1993, 2125)

#### 466.1045 Bond or deposit required; exemptions.

1. Before the running of any race meet licensed by the commission, the licensee shall post with the commission a bond executed by the licensee as principal, and by a corporation qualified pursuant to the laws of this state as surety, payable to the State of Nevada, and conditioned upon the payment of all money due to the state, the payment of purses to the participants, and the payment of the employees of the licensee. The bond must be in such an amount as the commission deems necessary, not to exceed \$100,000. In lieu of a bond, the licensee may deposit with the commission lawful money of the United States or a certified check in an amount not to exceed \$100,000 or any other form of security authorized by NRS 100.065. If security is provided in the form of a savings certificate, certificate of deposit or investment certificate, the certificate must state that the amount is not available for withdrawal except upon order of the commission. After the race meet the posted cash, check, bond or other security must be returned or exonerated as the case may be, upon full performance by the licensee.

2. A nonprofit organization or agricultural association conducting a race meet is exempt from the requirements of subsection 1.

(Added to NRS by 1983, 1998; A 1989, 1074; 1991, 705)

#### 466.105 Application for license to conduct pari-mutuel wagering; investigation and recommendation by board; approval of locations for off-track wagering.

1. Every application for a license to conduct pari-mutuel wagering under this chapter must be made upon forms prescribed and furnished by the board. The board shall investigate the applicant, including its officers and directors, if any, in the same manner as applicants for gaming licenses.

2. The cost of each investigation made pursuant to this section must be paid by the applicant. Investigation costs must be charged on the same basis as those for gaming license investigations.

3. The board shall make its recommendations to the commission which shall grant or deny licenses in the same manner as prescribed in chapter 463 of NRS for a state gaming license.

4. Each license issued by the commission to conduct pari-mutuel wagering under this chapter must be conditioned upon the licensee's approving any locations which may be established in this state for off-track pari-mutuel wagering as required by 15 U.S.C. § 3004(b)(1)(A) as enacted and as this subsection may be amended from time to time.

(Added to NRS by 1973, 465; A 1975, 396; 1981, 1944; 1983, 1897; 1993, 2125)

#### 466.110 Limitation on number of days of racing; transfer of meet.

1. No person, corporation or association may be given a license to conduct more than 300 days each of horse and greyhound racing, separately or simultaneously in any 1 year on any one track within the State of Nevada.

2. The commission may, at any time or times, in its discretion, authorize any person, corporation or association to transfer its racing meet or meetings from its own track or place for holding races to the track or place for holding races of any other person, corporation or association. No such authority to transfer may be granted without express consent of the person, corporation or association owning or leasing the track to which the transfer is made, but nothing in this section affects in any manner the license fees, requirements, rights, conditions, terms and provisions of NRS 466.120 or the provision for taxes contained in NRS

466.125.

[8:321:1951]--(NRS A 1965, 525; 1973, 467; 1977, 874; 1981, 1945; 1993, 2125)

466.115 Limitation on issuance of license for conflicting meet.

A license must not be issued to conduct pari-mutuel wagering at a track which is less than 100 miles from another track at which pari-mutuel betting is already licensed to be conducted during the race meet of the track first licensed unless:

1. A different type of race is conducted at the second track;
2. The second track is a county fair race meeting authorized by the commission which does not exceed 10 days in duration during that calendar year; or
3. The other track or tracks are located in a county whose population is 400,000 or more and on the premises of a resort hotel.

(Added to NRS by 1973, 464; A 1981, 1945; 1983, 1897, 2001; 1989, 556; 1991, 705; 1995, 879)

466.118 Applicability of chapter 463 of NRS to disposition of interest in business licensed to conduct greyhound racing.

The provisions of chapter 463 of NRS and the regulations adopted pursuant to that chapter apply to the sale, assignment, transfer, pledge or other disposition of:

1. Any security issued by a corporation; or
2. Any unit of or interest in an association, limited partnership or other form of business organization, that has been issued a license to conduct greyhound racing.

(Added to NRS by 1983, 1998; A 1989, 557)

466.120 Fee for license; exemptions.

1. Except in the case of the trotting and pacing meetings provided for in NRS 466.130, and except as provided in subsection 3 of this section, each applicant desiring to hold horse races on the day or days awarded by the commission shall, before the issuance of any license therefor, pay to the board a license fee fixed by the commission at the time of making application of not less than \$50 nor more than \$200 for each day of any meeting for the conduct of races so licensed.
2. If the license is to include permission for pari-mutuel wagering, such license fee must be deducted from the tax imposed by NRS 466.125.
3. State fair associations, agricultural societies, county fair and recreation boards and other associations to which state or county aid is given are exempt from the license fee required by subsection 1 of this section but must secure a license from the commission before holding such a race.

[9:321:1951; A 1953, 698]--(NRS A 1960, 186; 1965, 525; 1993, 2126)

466.125 Tax on conducting racing with pari-mutuel wagering; distribution of portion of pari-mutuel money as purses; exceptions.

1. Except as otherwise provided in NRS 466.127, each licensee conducting racing with pari-mutuel wagering shall pay to the commission for the use of the state a tax at the rate of 2 percent on all pari-mutuel money handled on horse or mule races and 4 percent on all pari-mutuel money handled on greyhound races during the race meeting.
2. State fair associations, agricultural societies, county fair and recreation boards, county agricultural associations and nonprofit organizations formed to conduct race meetings shall pay 1 percent of the pari-mutuel money handled during race meetings.
3. Each licensee conducting racing with pari-mutuel wagering, except a state fair association, agricultural society, county fair and recreation board or other association to which state or county aid is given, shall distribute not less than 8 percent of all pari-mutuel money handled on horse or mule races as purses to the owners of the horses or mules winning those races.

(Added to NRS by 1960, 188; A 1965, 525; 1973, 467; 1977, 1039; 1981, 1704, 1945; 1987, 636; 1995, 879)

466.127 Fee to be paid in lieu of tax for pari-mutuel wagering on greyhound races in large counties; additional costs to be paid by licensee; itemized accounting of costs.

1. Each licensee conducting racing with pari-mutuel wagering on greyhound races in a county whose population is 400,000 or more shall, in lieu of the tax otherwise imposed by NRS 466.125, pay to the commission a fee on all gross revenue, at the same time and rate and in the same manner as fees are paid pursuant to NRS 463.370.
  2. In addition, the licensee shall pay to the commission an amount equal to all costs of the board in the regulation of racing at his establishment as determined pursuant to a regulation adopted by the commission. The board shall estimate the costs and may require a deposit to be paid by the licensee in advance as a condition precedent to issuing a license. After the issuance of the license, the licensee shall remit the costs with his payment of fees on gross revenue, based upon the board's estimate. The board may adjust its estimate at any time upon 30 days' advance written notice to the licensee.
  3. On or before July 31 of each year, the board shall provide the licensee with an itemized accounting of the costs incurred through June 30. If the board's actual costs are greater than the amount paid by the licensee, the licensee shall remit the difference within 30 days after receiving the itemized accounting from the board. If the board's actual costs are less than the amount paid by the licensee, then the board shall refund to the licensee the excess amount paid within 30 days. A licensee may file, pursuant to the procedures set forth in NRS 463.3883, a petition for redetermination of the itemized accounting of the costs within 30 days after the board provides the itemized accounting of costs if the petition is accompanied by payment in full of all costs itemized by the board. A petition for redetermination:
    - (a) May challenge only the accuracy of the itemized accounting of the costs of the licensee and the amount of fees on gross revenue owed by the licensee based on those costs; and
    - (b) May not challenge the extent or scope of the regulatory authority of the board.
  4. Except as otherwise provided in this section, the fees on gross revenue and costs of regulation which a licensee conducting racing with pari-mutuel wagering on greyhound races is required to pay pursuant to this section are subject to the provisions in chapter 463 of NRS.
  5. As used in this section, "gross revenue" means the total amount collected and not returned to patrons from pari-mutuel wagers on greyhound races.
- (Added to NRS by 1995, 878)

#### 466.130 Licensing of certain meetings and races at which pari-mutuel wagering will be conducted.

1. The commission may issue licenses for the holding of:
    - (a) Trotting and pacing meetings;
    - (b) Chariot races; and
    - (c) Cutter races,at which pari-mutuel wagering will be conducted.
  2. The board and the commission have supervisory powers over such meetings and races and those licensed in the same manner and to the same extent, where not inappropriate, as they have by virtue of the provisions of this chapter over those licensed under other provisions of this chapter. Every applicant must pay a license fee of not less than \$25 nor more than \$200 for each day that races are held.
- [16:321:1951]--(NRS A 1981, 1946; 1991, 706; 1993, 2126)

#### 466.140 Awarding of dates for racing; limitations.

1. The commission may meet at any time and award dates for racing upon applications submitted to it within the limits provided by this chapter. The dates so awarded must in no way conflict with the provisions of this chapter, and no license for a race meeting may issue prior to the payment of the fees therefor at the rate provided in NRS 466.120.
  2. The commission shall not award any dates for racing until the applicant gives its approval of any locations which may be established in this state for off-track pari-mutuel wagering as required by 15 U.S.C. § 3004(b)(1)(A) as enacted and as this subsection may be amended from time to time.
- [10:321:1951; A 1953, 698]--(NRS A 1983, 1897)

#### 466.150 Issuance of license; licensee subject to regulations and disciplinary action.

1. Upon the award of dates to any applicant and upon payment of the license fees as prescribed in this chapter, the commission shall issue a license for the holding of the meeting or meetings during the dates awarded to the applicant, and for which the license fees shall have been paid.
2. A licensee shall be subject to all the rights, regulations and conditions from time to time prescribed by

the commission and the license shall be subject to suspension or revocation by the commission as provided in this chapter.  
[11:321:1951]

**466.151**Limitation on commissions deducted by licensee from pari-mutuel wagering; other deductions in paying bets.

1. The commissions deducted by any licensee from pari-mutuel wagering on racing must not exceed 20 percent of the gross amount of money handled in each pari-mutuel pool operated by the licensee during the period of the license.
  2. In addition to the commissions provided for in subsection 1, the licensee may deduct odd cents less than 10 cents per dollar in paying bets.
- (Added to NRS by 1965, 527; A 1973, 468; 1987, 636)

**466.153**Place for conducting and public viewing of wagering.

A licensee conducting any form of pari-mutuel wagering provided for in this chapter shall provide a place or places in the meeting grounds or enclosure:

1. At which the licensee may conduct, operate and supervise the pari-mutuel method of wagering upon the results of the racing events conducted within the meeting grounds or enclosure.
  2. Where the progress of the betting and the odds paid may be open to public view.
- (Added to NRS by 1965, 527; A 1973, 468)

**466.155**Wagering outside enclosure or licensed establishment prohibited.

1. It is unlawful for any person to operate a system of pari-mutuel wagering on any licensed horse race or dog race at any location other than:
    - (a) The enclosure wherein the race which is the subject of the wagering occurs; or
    - (b) A licensed gaming establishment which has been approved to conduct off-track pari-mutuel wagering.
  2. All other forms of wagering or betting on the results of any of the races licensed under this chapter outside the enclosure or licensed establishment are also illegal, unless expressly authorized by the commission.
- (Added to NRS by 1965, 527; A 1973, 468; 1981, 1946; 1983, 1898; 1993, 2126)

**466.157**Limitation on wager by agent; off-track wagering by agent prohibited.

A pari-mutuel wager placed at the track where the wagered race is conducted may be made by an agent if the principal is present on the premises. All off-track pari-mutuel wagering must be done by a principal.  
(Added to NRS by 1965, 527; A 1983, 1898)

**466.159**Redemption of outstanding pari-mutuel tickets.

All outstanding pari-mutuel tickets must be cashed within 90 days from the date of purchase or 10 days after the close of any race meeting. Tickets which are not redeemed within such time become valueless and the sum of money represented by them shall accrue to the issuing licensee.  
(Added to NRS by 1965, 527; A 1973, 468)

**466.160**Charity day: Limitation on number of days in one meet.

1. A charity day under this section is defined to be a racing day on which a portion of the net proceeds and revenues from pari-mutuel racing is contributed to a charitable organization or society as those terms are generally understood. Such contribution shall not diminish the taxes imposed by this chapter.
  2. Any licensee holding a license for racing as provided in this chapter may declare as many charity days in any one meet as the licensee shall deem fit, but no licensee shall declare more than five charity days in any one racing meet.
  3. Any such charity days, not exceeding five in any one race meeting, shall be deemed in addition to the maximum number of days provided in NRS 466.110.
- [21:321:1951; A 1953, 698]--(NRS A 1965, 526)

#### 466.170 Regulations of commission; licensing of participants in racing.

1. The commission, on the recommendation of the board, shall adopt regulations for the licensing, supervising, disciplining, suspending, fining and barring from racing, on any track under the jurisdiction of the board or commission, of horses, greyhounds, owners, breeders, authorized agents, subagents, nominators, trainers, jockeys, jockey apprentices, jockey agents and any other person, persons, organizations, associations or corporations whose activities affect the conduct or operation of licensed race meetings.

2. At a licensed race meeting or race, a person shall not enter a horse or greyhound or participate as an owner, agent, nominator, trainer, jockey, jockey apprentice, or jockey agent, without first procuring from the board a license so to do, and paying such fees as the commission determines to be reasonable therefor. The board may issue such licenses, and may revoke them at any time for cause.

3. The regulations of the commission may include, but are not limited to, the following:

(a) A requirement for fingerprinting, or other method of identification, of applicants and licensees;

(b) A requirement for information concerning applicants' antecedents, habits and character; and

(c) The procedure and form of application which applicants must follow and complete prior to consideration of their applications by the board.

4. The commission, on the recommendation of the board, may adopt regulations for the conducting of pari-mutuel wagering under this chapter. The regulations must be similar to the commission's regulations relating to the conduct of gaming adopted pursuant to chapter 463 of NRS.

[12:321:1951; A 1953, 698]--(NRS A 1960, 187; 1965, 526; 1973, 468; 1981, 1603, 1946; 1993, 2126)

#### 466.180 Powers of board and commission.

The board and the commission or any of its members has full power and authority:

1. To compel the production of any and all books, memoranda, documents, papers and records showing the receipts and disbursements of any person, corporation or association licensed under the provisions of this chapter to conduct race meetings.

2. To summon witnesses before it and to administer oaths or affirmations to witnesses whenever, in the judgment of the commission, it may be necessary for the effectual discharge of its duties.

3. To require, at any time, the removal of any employee or official employed by any licensee under this chapter.

4. To require that the book and financial or other statements of any person, corporation or association licensed under the provisions of this chapter shall be kept in any manner which to the commission may seem best.

5. To visit, to investigate and to place expert accountants and such other persons as it may deem necessary in the offices, tracks or places of business of any person, corporation or association licensed under the provisions of this chapter for the purpose of satisfying itself that the regulations of the commission are strictly complied with.

[Part 13:321:1951; A 1953, 698]--(NRS A 1993, 2127)

#### 466.190 Report to commission by licensee of receipts and disbursements.

Every person or persons, association or corporation licensed to hold racing meets within the State of Nevada, as provided in this chapter, shall within 30 days after the conclusion of any license period, or extension thereof, return to the commission a full statement, under oath, of their receipts from all sources whatsoever during the calendar year, and of all expenses and disbursements, all itemized in manner and form as shall be directed by the commission and with such allowances as may be approved by the commission, showing the net revenue from all sources derived by such person, persons, association or corporation engaged in or conducting racing.

[14:321:1951; A 1953, 698]--(NRS A 1973, 469)

#### 466.200 Impossibility, impracticability or inadvisability of holding meet; return of fees to licensee.

If by reason of any cause beyond control, and through no fault or neglect of any licensee, and while such licensee is not in default, it should become impossible, impracticable or inadvisable for a licensee to hold or conduct racing upon any date or dates licensed by the commission, the commission in its discretion and at

the request of the licensee shall have power to return the fees paid by the licensee for racing upon the days upon which it is impossible, impracticable or inadvisable for the licensee to hold or conduct racing. The decision of the commission in this regard shall be final.

[20:321:1951]

#### 466.210 Power of political subdivision to regulate racing.

1. The provisions of this chapter are intended to be statewide and exclusive in their effect, and no city, county or other political subdivision of this state may, except as provided in NRS 244.347 or subsection 2 of this section, make or enforce any local law, ordinance or regulation upon the subject of racing.

2. A county or a city may prohibit greyhound racing outside or inside the corporate limits respectively. A city whose charter so provides may permit greyhound racing.

[15:321:1951] + [18:321:1951]--(NRS A 1960, 187; 1979, 84)

#### 466.215 Unlawful acts in greyhound races.

1. It is unlawful in any greyhound race:

(a) To use a living animal as bait for the dogs; or

(b) To allow any dog to participate which has been trained by coursing.

2. As used in this section, "coursing" includes the pursuit of a living animal and the use of blood to attract or reward a dog.

(Added to NRS by 1977, 1039)

#### 466.216 Unlawful use of electrical device or appliance to alter speed of racing animal; penalty.

1. It is unlawful for any person to use or be responsible for the use of any electrical device or appliance to alter the speed of a racing animal.

2. It is unlawful for any person to:

(a) Possess, manufacture, sell, distribute or market;

(b) Instruct another in the use of; or

(c) Cause or be responsible for an electrical current being discharged through, an electrical or mechanical device or other appliance designed specifically to increase or decrease the speed of an animal during a race, other than a whip approved by the commission.

3. Any person who violates the provisions of subsection 1 or 2 is guilty of a gross misdemeanor.

(Added to NRS by 1991, 704)

#### 466.220 Penalties.

1. Any person failing to appear before the commission at the time and place specified in answer to a summons issued pursuant to NRS 466.180, or refusing to testify, is guilty of a misdemeanor.

2. Any person aiding or abetting in the conduct of any meeting in this state at which races of horses or greyhounds are permitted for any stake, purse or reward, except in accordance with a license issued and unsuspended or unrevoked by the commission, is guilty of a gross misdemeanor.

3. Except as otherwise provided by this section or other specific statute, any violation of the provisions of this chapter or the regulations of the commission is a misdemeanor.

[Part 13:321:1951; A 1953, 698] + [19:321:1951]--(NRS A 1960, 187; 1967, 589; 1973, 469; 1979, 1479; 1991, 706)

## **TITLE 43 VEHICLES AND WATERCRAFT**

### **CHAPTER 481 ADMINISTRATION OF LAWS RELATED TO MOTOR VEHICLES**

#### **GENERAL PROVISIONS**

481.053 Peace officers' standards and training committee: Appointment, terms, compensation and expenses of members; duties; regulations.

1. The governor shall appoint the peace officers' standards and training committee.
2. The committee consists of seven members, one appointed from Clark County, one from Washoe County, three from any other counties, one from category II peace officers and one from category III peace officers. Members serve terms of 2 years from the date of appointment. Members serve without compensation but are entitled to the per diem allowance and travel expenses provided by law for state officers and employees generally.
3. The governor shall make the appointments from recommendations submitted by Clark County, Washoe County, professional organizations of sheriffs and police chiefs of this state, category II peace officers and category III peace officers.
4. The committee shall:
  - (a) Meet at the call of the chairman, who must be elected by the members of the committee.
  - (b) Provide for and encourage the training and education of peace officers in order to improve the system of criminal justice.
  - (c) Adopt regulations establishing minimum standards for the certification and decertification, recruitment, selection and training of peace officers.
  - (d) Make necessary inquiries to determine whether agencies of the state and of local governments are complying with standards set forth in its regulations.
  - (e) Carry out the duties required of the committee pursuant to NRS 432B.610 and 432B.620.
5. Regulations adopted by the committee:
  - (a) Apply to all agencies of the state and of local governments which employ persons as peace officers;
  - (b) Must require that all peace officers receive training in the handling of cases involving abuse or neglect of children or missing children; and
  - (c) May require that training be carried on at institutions which it approves in those regulations.
6. The director may adopt regulations necessary for the operation of the committee and the enforcement of laws administered by the committee.
7. As used in this section:
  - (a) "Category II peace officer" means:
    - (1) The bailiff of the supreme court;
    - (2) The bailiffs of the district courts, justices' courts and municipal courts whose duties require them to carry weapons and make arrests;
    - (3) Constables and their deputies whose official duties require them to carry weapons and make arrests;
    - (4) Inspectors employed by the public service commission of Nevada who exercise those powers of enforcement conferred by chapters 704, 705 and 706 of NRS;
    - (5) Parole and probation officers;
    - (6) Special investigators who are employed full time by the office of any district attorney or the attorney general;
    - (7) Investigators of arson for fire departments who are specially designated by the appointing authority;
    - (8) The assistant and deputies of the state fire marshal;
    - (9) The brand inspectors of the division of agriculture of the department of business and industry who exercise the powers of enforcement conferred in chapter 565 of NRS;
    - (10) Investigators for the state forester firewarden who are specially designated by him and whose primary duties are the investigation of arson;
    - (11) School police officers employed by the board of trustees of any county school district;
    - (12) Agents of the state gaming control board who exercise the powers of enforcement specified in NRS

289.360, 463.140 or 463.1405, except those agents whose duties relate primarily to auditing, accounting, the collection of taxes or license fees, or the investigation of applicants for licenses;

(13) Investigators and administrators of the bureau of enforcement of the registration division of the department of motor vehicles and public safety who perform the duties specified in subsection 3 of NRS 481.048;

(14) Officers and investigators of the section for the control of emissions from vehicles of the registration division of the department of motor vehicles and public safety who perform the duties specified in subsection 3 of NRS 481.0481;

(15) Legislative police officers of the State of Nevada;

(16) The personnel of the capitol police division of the department of motor vehicles and public safety appointed pursuant to subsection 2 of NRS 331.140;

(17) Parole counselors of the division of child and family services of the department of human resources;

(18) Juvenile probation officers and deputy juvenile probation officers employed by the various judicial districts in Nevada or by a department of family, youth and juvenile services established pursuant to NRS 62.1264 whose official duties require them to enforce court orders on juvenile offenders and make arrests;

(19) Field investigators of the taxicab authority;

(20) Security officers employed full time by a city or county whose official duties require them to carry weapons and make arrests; and

(21) The chief of a department of alternative sentencing created pursuant to NRS 211A.080 and the assistant alternative sentencing officers employed by that department.

(b) "Category III peace officer" means peace officers whose authority is limited to correctional services, and includes the superintendents and correctional officers of the department of prisons.

(Added to NRS by 1981, 2004; A 1985, 1151, 2169; 1989, 1630; 1993, 1336; 1995, 559, 874, 2302, 2307)

## CHAPTER 482 MOTOR VEHICLES AND TRAILERS: LICENSING, REGISTRATION, SALES AND LEASES

### SPECIAL LICENSE PLATES

482.368 Distinguishing plates for exempt vehicles: Issuance; fees; interstate agreements; application; regulations.

1. Except as otherwise provided in subsection 2, the department shall provide suitable distinguishing license plates for exempt vehicles. These plates must be displayed on the vehicles in the same manner as provided for privately owned vehicles. The fee for the issuance of the plates is \$5. Any license plates authorized by this section must be immediately returned to the department when the vehicle for which they were issued ceases to be used exclusively for the purpose for which it was exempted from the privilege tax.

2. License plates furnished for:

(a) Those vehicles which are maintained for and used by the governor or under the authority and direction of the chief parole and probation officer, the state contractors' board and auditors, the state fire marshal, the investigation division of the department and any authorized federal law enforcement agency or law enforcement agency from another state;

(b) One vehicle used by the department of prisons, three vehicles used by the division of wildlife of the state department of conservation and natural resources, two vehicles used by the Caliente youth center and four vehicles used by the Nevada youth training center;

(c) Vehicles of a city, county or the state, if authorized by the department for purposes of law enforcement or work related thereto or such other purposes as are approved upon proper application and justification; and

(d) Vehicles maintained for and used by investigators of the following:

(1) The state gaming control board;

(2) The division of agriculture of the department of business and industry;

(3) The attorney general;

(4) City or county juvenile officers;

- (5) District attorneys' offices;
- (6) Public administrators' offices;
- (7) Public guardians' offices;
- (8) Sheriffs' offices;
- (9) Police departments in the state; and
- (10) The securities division of the office of the secretary of state,

must not bear any distinguishing mark which would serve to identify the vehicles as owned by the state, county or city. These license plates must be issued annually for \$12 per plate or, if issued in sets, per set.

3. The director may enter into agreements with departments of motor vehicles of other states providing for exchanges of license plates of regular series for vehicles maintained for and used by investigators of the law enforcement agencies enumerated in paragraph (d) of subsection 2, subject to all of the requirements imposed by that paragraph, except that the fee required by that paragraph must not be charged.

4. Applications for the licenses must be made through the head of the department, board, bureau, commission, school district or irrigation district, or through the chairman of the board of county commissioners of the county or town or through the mayor of the city, owning or controlling the vehicles, and no plate or plates may be issued until a certificate has been filed with the department showing that the name of the department, board, bureau, commission, county, city, town, school district or irrigation district, as the case may be, and the words "For Official Use Only" have been permanently and legibly affixed to each side of the vehicle, except those vehicles enumerated in subsection 2.

5. As used in this section, "exempt vehicle" means a vehicle exempt from the privilege tax, except one owned by the United States.

6. The department shall adopt regulations governing the use of all license plates provided for in this section. Upon a finding by the department of any violation of its regulations, it may revoke the violator's privilege of registering vehicles pursuant to this section.

[Part 6:202:1931; A 1941, 51; 1949, 511; 1953, 52]--(NRS A 1957, 61, 744; 1961, 386, 630; 1963, 693; 1967, 166; 1969, 130; 1973, 85, 290, 1123; 1977, 290; 1979, 254, 931; 1981, 1529, 2006; 1983, 728; 1985, 927, 1354, 1936; 1989, 557, 1961; 1991, 2313; 1993, 31, 779, 1641; 1995, 579)

## **UNLAWFUL ACTS AND PENALTIES**

412.598 Arrest of trespasser or disturber; penalty for certain sales and gambling.

1. Any person who trespasses upon any armory, arsenal, camp, range, base or other facility of the Nevada National Guard or other place where any unit of the Nevada National Guard is performing military duty, including training, or who in any way or manner interrupts or molests the discharge of military duties by any member of the Nevada National Guard or of the Armed Forces of the United States or who trespasses or prevents the passage of troops of the Nevada National Guard or of the Armed Forces of the United States in the performance of their military duties may:

(a) Be placed in arrest by the commanding officer, or his designated representative, of the unit performing such military duty at the place where the offense is committed and may be held in arrest during the continuance of the performance of such military duty, but not to exceed 12 hours; and

(b) Be subject to arrest and punishment by a court of competent jurisdiction for a breach of the peace.

2. The commanding officer or his designated representative, of any unit of the Nevada National Guard performing military duty in or at any armory, arsenal, camp, range, base or other facility of the Nevada National Guard or other place where such unit is performing military duty may prohibit persons who hawk, peddle, vend or sell goods, wares, merchandise, food products or beverages upon the streets and highways from conducting sales or auctions, and may prohibit all gambling within the limits of such armory, arsenal, camp, range, base or other facility of the Nevada National Guard or other place where such unit is performing military duty or within such limits not exceeding 1 mile therefrom as he may prescribe. Such commanding officer may in his discretion abate as common nuisances all such sales, auctions and gambling.

3. Nothing in subsection 2 applies to licensed gambling establishments located within 1 mile of the facilities designated in subsection 2.

4. Any person violating any provision of subsection 2 by conducting prohibited sales, auctions or gambling

is guilty of a misdemeanor.  
(Added to NRS by 1967, 1339)

## CHAPTER 483 DRIVERS' LICENSES; DRIVING SCHOOLS AND DRIVING INSTRUCTORS; MOTOR VEHICLE DRIVERS; LICENSES (UNIFORM ACT

### ISSUANCE, EXPIRATION AND RENEWAL

483.340 Issuance and contents of license; license for purposes of identification only issued to certain persons.

1. The department shall upon payment of the required fee issue to every qualified applicant a driver's license indicating the type or class of vehicles the licensee may drive. The license must bear a unique number assigned to the licensee pursuant to NRS 483.345, the licensee's social security number, if he has one, unless he requests that it not appear on the license, the full name, date of birth, mailing address, and a brief description of the licensee, and a space upon which the licensee shall write his usual signature in ink immediately upon receipt of the license. A license is not valid until it has been so signed by the licensee.
2. The department may issue a driver's license for purposes of identification only for use by officers of local police and sheriffs' departments, agents of the investigation division of the department while engaged in special undercover investigations relating to narcotics or prostitution or for other undercover investigations requiring the establishment of a fictitious identity, federal agents while engaged in undercover investigations, investigators employed by the attorney general while engaged in undercover investigations and agents of the state gaming control board while engaged in investigations pursuant to NRS 463.140. An application for such a license must be made through the head of the police or sheriff's department, the chief of the investigation division, the director of the appropriate federal agency, the attorney general or the chairman of the state gaming control board. Such a license is exempt from the fees required by NRS 483.410. The department, by regulation, shall provide for the cancellation of any such driver's license upon the completion of the special investigation for which it was issued.
3. Information pertaining to the issuance of a driver's license pursuant to subsection 2 is confidential.
4. It is unlawful for any person to use a driver's license issued pursuant to subsection 2 for any purpose other than the special investigation for which it was issued.
5. At the time of the issuance of the driver's license, the department shall give the holder the opportunity to indicate on his driver's license that he wishes to be a donor of all or part of his body pursuant to NRS 451.500 to 451.590, inclusive, or that he refuses to make an anatomical gift of his body or part of his body. [19:190:1941; A 1943, 268; 1943 NCL § 4442.18]--(NRS A 1963, 843; 1969, 544; 1975, 802; 1977, 449; 1981, 1106, 2007; 1985, 1938; 1987, 895; 1989, 437, 474, 1152; 1991, 487, 2171; 1993, 1188)

## TITLE 52 TRADE REGULATIONS AND PRACTICES

### CHAPTER 599B SOLICITATION BY TELEPHONE

#### GENERAL PROVISIONS

599B.010 Definitions.

As used in this chapter, unless the context otherwise requires:

1. "Chance promotion" means any plan in which premiums are distributed by random or chance selection.
2. "Commissioner" means the commissioner of consumer affairs.
3. "Consumer" means a person who is solicited by a seller or salesman.
4. "Division" means the consumer affairs division of the department of business and industry.
5. "Donation" means a promise, grant or pledge of money, credit, property, financial assistance or other thing of value given in response to a solicitation by telephone, including, but not limited to, a payment or promise to pay in consideration for a performance, event or sale of goods or services. The term does not

include volunteer services, government grants or contracts or a payment by members of any organization of membership fees, dues, fines or assessments or for services rendered by the organization to those persons, if:

(a) The fees, dues, fines, assessments or services confer a bona fide right, privilege, professional standing, honor or other direct benefit upon the member; and

(b) Membership in the organization is not conferred solely in consideration for making a donation in response to a solicitation.

6. "Goods or services" means any property, tangible or intangible, real, personal or mixed, and any other article, commodity or thing of value.

7. "Premium" includes any prize, bonus, award, gift or any other similar inducement or incentive to purchase.

8. "Recovery service" means a business or other practice whereby a person represents or implies that he will, for a fee, recover any amount of money that a consumer has provided to a seller or salesman pursuant to a solicitation governed by the provisions of this chapter.

9. "Salesman" means any person:

(a) Employed or authorized by a seller to sell, or to attempt to sell, goods or services by telephone;

(b) Retained by a seller to provide consulting services relating to the management or operation of the seller's business; or

(c) Who communicates on behalf of a seller with a consumer:

(1) In the course of a solicitation by telephone; or

(2) For the purpose of verifying, changing or confirming an order,

except that a person is not a salesman if his only function is to identify a consumer by name only and he immediately refers the consumer to a salesman.

10. Except as otherwise provided in subsection 11, "seller" means any person who, on his own behalf, causes or attempts to cause a solicitation by telephone to be made through the use of one or more salesmen or any automated dialing announcing device under any of the following circumstances:

(a) The person initiates contact by telephone with a consumer and represents or implies:

(1) That a consumer who buys one or more goods or services will receive additional goods or services, whether or not of the same type as purchased, without further cost, except for actual postage or common carrier charges;

(2) That a consumer will or has a chance or opportunity to receive a premium;

(3) That the items for sale are gold, silver or other precious metals, diamonds, rubies, sapphires or other precious stones, or any interest in oil, gas or mineral fields, wells or exploration sites or any other investment opportunity;

(4) That offered for sale is information or opinions relating to sporting events;

(5) That offered for sale are the services of a recovery service; or

(6) That the consumer will receive a premium or goods or services if he makes a donation;

(b) The solicitation by telephone is made by the person in response to inquiries from a consumer generated by a notification or communication sent or delivered to the consumer that represents or implies:

(1) That the consumer has been in any manner specially selected to receive the notification or communication or the offer contained in the notification or communication;

(2) That the consumer will receive a premium if the recipient calls the person;

(3) That if the consumer buys one or more goods or services from the person, the consumer will also receive additional or other goods or services, whether or not the same type as purchased, without further cost or at a cost that the person represents or implies is less than the regular price of the goods or services;

(4) That offered for sale are the services of a recovery service; or

(5) That the consumer will receive a premium or goods or services if he makes a donation; or

(c) The solicitation by telephone is made by the person in response to inquiries generated by advertisements that represent or imply that the person is offering to sell any:

(1) Gold, silver or other metals, including coins, diamonds, rubies, sapphires or other stones, coal or other minerals or any interest in oil, gas or other mineral fields, wells or exploration sites, or any other investment opportunity;

(2) Information or opinions relating to sporting events; or

(3) Services of a recovery service.

11. "Seller" does not include:

(a) A person licensed pursuant to chapter 90 of NRS when soliciting offers, sales or purchases within the

scope of his license.

(b) A person licensed pursuant to chapter 119A, 119B, 624, 645 or 696A of NRS when soliciting sales within the scope of his license.

(c) A person licensed as an insurance broker, agent or solicitor when soliciting sales within the scope of his license.

(d) Any solicitation of sales made by the publisher of a newspaper or magazine or by an agent of the publisher pursuant to a written agreement between the agent and publisher.

(e) A broadcaster soliciting sales who is licensed by any state or federal authority, if the solicitation is within the scope of the broadcaster's license.

(f) A person who solicits a donation from a consumer when:

(1) The person represents or implies that the consumer will receive a premium or goods or services with an aggregated fair market value of 2 percent of the donation or \$50, whichever is less; or

(2) The consumer provides a donation of \$50 or less in response to the solicitation.

(g) A charitable organization which is registered or approved to conduct a lottery pursuant to chapter 462 of NRS.

(h) A public utility or motor carrier which is regulated pursuant to chapter 704 or 706 of NRS, or by an affiliate of such a utility or motor carrier, if the solicitation is within the scope of its certificate or license.

(i) A utility which is regulated pursuant to chapter 710 of NRS, or by an affiliate of such a utility.

(j) A person soliciting the sale of books, recordings, video cassettes or similar items through an organization whose method of sales is governed by the regulations of the Federal Trade Commission relating to the use of negative option plans by sellers in commerce, including the use of continuity plans, subscription arrangements, arrangements for standing orders, supplements, and series arrangements under which the person periodically ships merchandise to a consumer who has consented in advance to receive the merchandise on a periodic basis and has the opportunity to review the merchandise for at least 10 days and return it for a full refund within 30 days after it is received.

(k) A person who solicits sales by periodically publishing and delivering a catalog to consumers if the catalog:

(1) Contains a written description or illustration of each item offered for sale and the price of each item;

(2) Includes the business address of the person;

(3) Includes at least 100 pages of written material and illustrations;

(4) Is distributed in more than one state; and

(5) Has an annual circulation by mailing of not less than 250,000.

(l) A person soliciting without the intent to complete and who does not complete, the sales transaction by telephone but completes the sales transaction at a later face-to-face meeting between the solicitor and the consumer, if the person, after soliciting a sale by telephone, does not cause another person to collect the payment from or deliver any goods or services purchased to the consumer.

(m) Any commercial bank, bank holding company, subsidiary or affiliate of a bank holding company, trust company, savings and loan association, credit union, industrial loan company, personal property broker, consumer finance lender, commercial finance lender, or insurer subject to regulation by an official or agency of this state or of the United States, if the solicitation is within the scope of the certificate or license held by the entity.

(n) A person holding a certificate of authority issued pursuant to chapter 452 of NRS when soliciting sales within the scope of the certificate.

(o) A person licensed pursuant to chapter 689 of NRS when soliciting sales within the scope of his license.

(p) A person soliciting the sale of services provided by a community antenna television company subject to regulation pursuant to chapter 711 of NRS.

(q) A person soliciting the sale of agricultural products, if the solicitation is not intended to and does not result in a sale of more than \$100. As used in this paragraph, "agricultural products" has the meaning ascribed to it in NRS 587.290.

(r) A person who has been operating, for at least 2 years, a retail business establishment under the same name as that used in connection with the solicitation of sales by telephone if, on a continuing basis:

(1) Goods are displayed and offered for sale or services are offered for sale and provided at the person's business establishment; and

(2) At least 50 percent of the person's business involves the buyer obtaining such goods or services at the person's business establishment.

(s) A person soliciting only the sale of telephone answering services to be provided by the person or his

employer.

- (t) A person soliciting a transaction regulated by the Commodity Futures Trading Commission, if:
    - (1) The person is registered with or temporarily licensed by the Commission to conduct that activity pursuant to the Commodity Exchange Act (7 U.S.C. §§ 1 et seq.); and
    - (2) The registration or license has not expired or been suspended or revoked.
  - (u) A person who contracts for the maintenance or repair of goods previously purchased from the person:
    - (1) Making the solicitation; or
    - (2) On whose behalf the solicitation is made.
  - (v) A person to whom a nonrestricted gaming license, which is current and valid, has been issued pursuant to chapter 463 of NRS when soliciting sales within the scope of his license.
  - (w) A person who solicits a previous customer of the business on whose behalf the call is made if the person making the call:
    - (1) Does not offer the customer any premium in connection with the sale;
    - (2) Is not selling an investment or an opportunity for an investment that is not registered with any state or federal authority; and
    - (3) Is not regularly engaged in telephone sales.
  - (x) A person who solicits the sale of livestock.
  - (y) An issuer or wholly owned subsidiary of an issuer which has a security that is listed on the New York Stock Exchange.
- (Added to NRS by 1989, 1379; A 1991, 2039; 1993, 1802, 2100; 1995, 579, 932)

## **TRADE REGULATIONS AND PRACTICES**

### **CHAPTER 604 CHECK-CASHING AND DEFERRED DEPOSIT SERVICES**

608.310 Entertainment: Producer-promoter required to obtain permit from labor commissioner; exception.

1. Except as otherwise provided in subsection 4, a producer-promoter intending to do business in this state must obtain a permit from the labor commissioner.
  2. An application for the permit required by subsection 1 must contain information concerning:
    - (a) The applicant's name and permanent address;
    - (b) The financing for the production;
    - (c) The type of production intended by the applicant, the number of artists, technical personnel and other persons required for the production and where the applicant intends to exhibit the production; and
    - (d) Such other information as the labor commissioner may require by regulation for the protection of persons associated with the entertainment industry.
  3. The commissioner may by regulation require a reasonable fee for processing an application.
  4. The provisions of this section do not apply to any producer-promoter who produces proof to the commissioner that he:
    - (a) Has been in the business of a producer-promoter in this state for the 5-year period immediately preceding the filing of the application and has had no successful wage claim filed with the labor commissioner during that period;
    - (b) Has sufficient tangible assets in this state which, if executed upon, would equal or exceed the amount of bond required; or
    - (c) Holds a license to operate a nonrestricted gaming operation in this state.
- (Added to NRS by 1973, 1115; A 1995, 1027)

### **CHAPTER 609 EMPLOYMENT OF MINORS**

609.210 Employing or exhibiting minor in injurious, immoral or dangerous business; penalty. Every person who employs, or causes to be employed, exhibits or has in his custody for exhibition or employment, any minor, and every parent, relative, guardian, employer or other person having the care, custody or control of any minor, who in any way procures or consents to the employment of the minor:

1. In begging, receiving alms, or in any mendicant occupation;
  2. In any indecent or immoral exhibition or practice;
  3. In any practice or exhibition dangerous or injurious to life, limb, health or morals;
  4. As a messenger for delivering letters, telegrams, packages or bundles to any house of prostitution or assignation;
  5. In any public dance hall within this state where alcoholic beverages are dispensed; or
  6. In any area of a casino where there is gaming or where the sale of alcoholic beverages is the primary commercial activity unless the minor is in the casino area to provide entertainment pursuant to an employment contract,
- is guilty of a misdemeanor.  
[1911 C&P § 558; A 1927, 234; NCL § 10503]--(NRS A 1975, 80; 1977, 1277; 1979, 934)

## **TITLE 56 OTHER FINANCIAL INSTITUTIONS**

### **CHAPTER 675 INSTALLMENT LOANS**

#### **GENERAL PROVISIONS**

##### **675.040 Applicability.**

This chapter does not apply to:

1. A person doing business under the authority of any law of this state or of the United States relating to banks, savings banks, trust companies, savings and loan associations, credit unions, development corporations, mortgage companies, thrift companies, pawnbrokers or insurance companies.
2. A real estate investment trust, as defined in 26 U.S.C. § 856.
3. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is made directly from money in the plan by the plan's trustee.
4. An attorney at law rendering services in the performance of his duties as an attorney at law if the loan is secured by real property.
5. A real estate broker rendering services in the performance of his duties as a real estate broker if the loan is secured by real property.
6. Except as otherwise provided in this subsection, any firm or corporation:
  - (a) Whose principal purpose or activity is lending money on real property which is secured by a mortgage;
  - (b) Approved by the Federal National Mortgage Association as a seller or servicer; and
  - (c) Approved by the Department of Housing and Urban Development and the Department of Veterans Affairs.
7. A person who provides money for investment in loans secured by a lien on real property, on his own account.
8. A seller of real property who offers credit secured by a mortgage of the property sold.
9. A person holding a nonrestricted state gaming license issued pursuant to the provisions of chapter 463 of NRS.

(Added to NRS by 1959, 227; A 1983, 153, 1313; 1989, 1064; 1991, 818; 1995, 1100)