

ASSEMBLY BILL NO. 117—COMMITTEE ON JUDICIARY

PREFILED JANUARY 31, 2019

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to charitable gaming.
(BDR 41-715)

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

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

AN ACT relating to gaming; revising provisions relating to charitable gaming; requiring the Nevada Gaming Commission to adopt regulations providing a procedure to appeal the denial of the registration to operate a charitable lottery or charitable game; requiring the Commission to adopt regulations establishing the fees that a qualified organization must submit to the Chair of the Nevada Gaming Control Board when registering to operate a charitable lottery or charitable game; increasing the penalty for the commission of certain unauthorized acts relating to lotteries; repealing provisions relating to charitable games; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law establishes provisions governing lotteries, including charitable
2 lotteries. (Chapter 462 of NRS) Existing law also establishes provisions governing
3 charitable games, including: (1) games operated by charitable or educational
4 organizations; and (2) charitable bingo games operated by qualified organizations.
5 (NRS 463.409-463.40965) This bill incorporates charitable games into the
6 provisions of law governing charitable lotteries for the purpose of treating all
7 charitable gaming in the same manner. **Section 29** of this bill repeals the current
8 provisions of law relating to charitable games.
9 **Section 3** of this bill defines the term “charitable game” as a bingo, poker or
10 blackjack game that is operated by a qualified organization. **Section 12** of this bill
11 revises the definition of “qualified organization” to: (1) specify that such an
12 organization must be certified by the Department of Taxation or the Internal
13 Revenue Service as not operated for profit; and (2) exclude political organizations.



14 **Section 14** of this bill authorizes a qualified organization to operate a charitable
15 lottery if: (1) the qualified organization is registered by the Chair of the Nevada
16 Gaming Control Board to operate a charitable lottery; and (2) the total value of all
17 the prizes offered in charitable lotteries operated by the qualified organization
18 during the same calendar year, including the value of all unclaimed cash prizes,
19 does not exceed \$500,000 or, if the qualified organization is a qualified
20 professional sports organization, does not exceed \$2,000,000. **Section 5** of this bill
21 sets forth the requirements that must be satisfied for a qualified organization to
22 operate a charitable game without obtaining a gaming license.

23 **Section 15** of this bill requires the Chair to register a qualified organization to
24 operate a charitable lottery or charitable game if certain requirements are satisfied.

25 **Section 16** of this bill sets forth the items that a qualified organization must submit
26 to register with the Chair to operate a charitable lottery or charitable game. **Section**
27 **16** also requires the Commission, upon recommendation by the Board, to adopt
28 regulations establishing the fees that a qualified organization must submit to the
29 Chair for the purpose of such registration. **Section 13** of this bill requires the
30 Nevada Gaming Commission, upon the recommendation of the Board, to adopt
31 regulations providing a procedure to appeal the denial of the registration to operate
32 a charitable lottery or charitable game by the Chair.

33 **Section 18** of this bill prohibits the Chair from registering a qualified
34 organization to operate a charitable lottery or charitable game outside this State.

35 **Section 18** authorizes statewide ticket sales and online sales upon approval by the
36 Chair, but requires that all lottery ticket sales be limited to persons who are
37 physically located within this State at the time of purchase.

38 **Section 17** of this bill provides that if the Commission finds that a person
39 associated with a qualified organization is unsuitable to be associated with the
40 operation of a charitable lottery or charitable game, any contract or agreement
41 between the associated person and the qualified organization for the provision of
42 personal services to the qualified organization or for conducting any activity
43 relating to the operation of a charitable lottery or charitable game is deemed to be
44 terminated without liability on the part of the qualified organization.

45 **Section 19** of this bill removes the provision that prohibits a qualified
46 organization from providing compensation to a person who is not a regular
47 employee of the organization. **Section 20** of this bill prohibits a qualified
48 organization from contracting with certain vendors for the operation of a charitable
49 lottery or charitable game. **Section 20** also requires a qualified organization
50 registered with the Chair to submit to the Chair a financial report on a charitable
51 lottery or charitable game upon request.

52 **Section 4** of this bill provides that the State of Nevada, the Board, the
53 Commission and certain other persons are immune from any civil liability for any
54 decision or action taken in good faith and without malicious intent in carrying out
55 the provisions of law relating to charitable gaming.

56 Existing law: (1) establishes various unauthorized acts relating to lotteries; and
57 (2) provides that a person who commits any such act is guilty of a misdemeanor.
58 (NRS 462.250, 462.260, 462.280-462.300, 462.320) **Sections 21-26** of this bill
59 increase the penalty for the commission of any such act to a gross misdemeanor.



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

1 **Section 1.** Chapter 462 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 5, inclusive, of this
3 act.

4 **Sec. 2.** *“Chair” means the Chair of the Board.*

5 **Sec. 3.** *“Charitable game” means a bingo, poker or*
6 *blackjack game that is operated by a qualified organization*
7 *pursuant to the provisions of this chapter. The term does not*
8 *include any other game or gambling game specified in NRS*
9 *463.0152, including without limitation, any game which requires*
10 *the use of a gaming device, or any wagers on horse races, other*
11 *animal races, sporting events or other events.*

12 **Sec. 4.** *In addition to any other rights, privileges and*
13 *immunities recognized by law, the State of Nevada, the Board and*
14 *any of its members, employees, attorneys and other personnel,*
15 *and the Commission and any of its members, employees, attorneys*
16 *and other personnel are immune from any civil liability for any*
17 *decision or action taken in good faith and without malicious intent*
18 *in carrying out the provisions of this chapter.*

19 **Sec. 5.** *A qualified organization may operate a charitable*
20 *game without obtaining a license pursuant to NRS 463.160 if:*

21 1. *The qualified organization is registered by the Chair to*
22 *operate a charitable game pursuant to NRS 462.150; and*

23 2. *The total value of all the prizes offered in charitable games*
24 *operated by the qualified organization during the same calendar*
25 *year does not exceed \$500,000.*

26 **Sec. 6.** NRS 462.015 is hereby amended to read as follows:

27 462.015 The Legislature hereby finds, and declares to be the
28 public policy of this state, that:

29 1. The operation of legitimate charitable lotteries *and*
30 *charitable games in this State* by ~~[bona fide charitable and~~
31 ~~nonprofit]~~ *qualified* organizations is beneficial to the general
32 welfare of the residents of this state.

33 2. The benefits of charitable lotteries ~~[]~~ *and charitable games:*

34 (a) Are dependent upon ensuring that those *charitable* lotteries
35 *and charitable games* are operated honestly and free from criminal
36 and corruptive elements, and that the proceeds of those *charitable*
37 lotteries *and charitable games* are expended to benefit the activities
38 of charitable or nonprofit organizations ~~[]~~ *in this State.*

39 (b) Can be ensured through the regulation of the type of
40 organizations authorized to operate those *charitable* lotteries ~~[]~~ *and*
41 *charitable games*, the manner in which those *charitable* lotteries
42 *and charitable games* are conducted and the manner in which the



1 proceeds of those *charitable* lotteries *and charitable games* are
2 expended.

3 **Sec. 7.** NRS 462.025 is hereby amended to read as follows:

4 462.025 Nothing in this chapter affects the power of a local
5 government to require the licensing of or to impose additional
6 restrictions on the operation of a charitable lottery ~~[]~~ *or charitable*
7 *game*.

8 **Sec. 8.** NRS 462.035 is hereby amended to read as follows:

9 462.035 As used in this chapter, unless the context otherwise
10 requires, the words and terms defined in NRS 462.045 to 462.125,
11 inclusive, *and sections 2 and 3 of this act* have the meanings
12 ascribed to them in those sections.

13 **Sec. 9.** NRS 462.064 is hereby amended to read as follows:

14 462.064 “Charitable lottery” means a lottery operated by a
15 ~~[bona fide charitable or nonprofit]~~ *qualified* organization pursuant
16 to the provisions of this chapter.

17 **Sec. 10.** NRS 462.075 is hereby amended to read as follows:

18 462.075 “Charitable or nonprofit activity” means an activity in
19 support of the arts, amateur athletics, peace officers or health or
20 social services, or conducted for any benevolent, civic, educational,
21 eleemosynary, fraternal, humanitarian, patriotic ~~[, political]~~ or
22 religious purpose, including the operation of a qualified
23 organization.

24 **Sec. 11.** NRS 462.115 is hereby amended to read as follows:

25 462.115 “Net proceeds” means the total amount of money
26 collected from the ~~[sale]~~ *operation* of ~~[tickets or chances for]~~
27 a charitable lottery ~~[]~~ *or charitable game*, less the total amount of
28 money expended for prizes, supplies, advertising, promotion,
29 printing, administration and other direct expenses necessary to
30 operate a charitable lottery ~~[]~~ *or charitable game, as applicable*.

31 **Sec. 12.** NRS 462.125 is hereby amended to read as follows:

32 462.125 “Qualified organization” means ~~[a bona fide]~~ *an*
33 alumni, charitable, civic, educational, fraternal, patriotic, ~~[political,]~~
34 religious ~~[]~~ *or veterans’ organization or a* state or local bar ~~[or~~
35 ~~veterans’ organization]~~ *association that [is] has been certified by*
36 *the Department of Taxation or the Internal Revenue Service as* not
37 operated for profit.

38 **Sec. 13.** NRS 462.130 is hereby amended to read as follows:

39 462.130 1. The Board and Commission shall administer the
40 provisions of this chapter for the protection of the public and in the
41 public interest in accordance with the policy of this state.

42 2. The Commission, upon the recommendation of the Board:

43 (a) May adopt such regulations as it deems desirable to enforce
44 the provisions of this chapter; and



(b) Shall adopt regulations providing a procedure to appeal the denial of the ~~[approval of]~~ *registration to operate a charitable lottery or charitable game* by the ~~[Executive Director]~~ *Chair* pursuant to NRS 462.150,

↳ pursuant to the procedure set forth in NRS 463.145.

Sec. 14. NRS 462.140 is hereby amended to read as follows:

462.140 **1.** A qualified organization may operate a charitable lottery if:

~~[1.]~~ (a) The *qualified* organization is ~~[approved]~~ *registered* by the ~~[Executive Director]~~ *Chair to operate a charitable lottery pursuant to NRS 462.150;* and ~~[the]~~

(b) *The* total value of all the prizes offered in charitable lotteries operated by the *qualified* organization during the same calendar year ~~[exceeds \$25,000, but]~~ , *including, without limitation, the value of all unclaimed cash prizes [does] :*

(1) *Except as otherwise provided in subparagraph (2), does* not exceed \$500,000;

~~[2.— Except as otherwise provided in subsection 4, the organization registers with the Executive Director and the total value of all the prizes offered in charitable lotteries operated by the organization during the same calendar year exceeds \$2,500, but] or~~

(2) *If the qualified organization is a qualified professional sports organization,* does not exceed ~~[\$25,000;~~

~~—3.— The total value of the prizes offered in the charitable lottery does not exceed \$2,500 and the organization operates no more than two charitable lotteries per calendar year; or~~

~~—4.— The tickets or chances for the charitable lottery are sold only to members of the organization, and to guests of those members while attending a special event sponsored by the organization, and the total value of all the prizes offered in charitable lotteries operated by the organization during the same calendar year does not exceed \$15,000.] \$2,000,000.~~

2. *As used in this section, “qualified professional sports organization” means a qualified organization that is affiliated and co-branded with a professional sports team franchise which:*

(a) *Is a member of Major League Baseball, Major League Soccer, the National Basketball Association, the National Hockey League or the National Football League; and*

(b) *Plays the majority of its home games in this State.*

↳ *The term does not include any minor league affiliate of any such team franchise, association or league.*

Sec. 15. NRS 462.150 is hereby amended to read as follows:

462.150 **1.** The ~~[Executive Director]~~ *Chair* shall:

(a) Register a qualified organization ~~[that complies with the requirements of NRS 462.160.~~



1 ~~—(b) Approve a qualified organization~~ *to operate a charitable*
2 *lottery or charitable game* if:

3 (1) The organization complies with the requirements of NRS
4 462.160; ~~and~~

5 (2) The ~~Executive Director~~ *prizes offered are legal under*
6 *state and federal law; and*

7 (3) *The Chair* determines, *in his or her sole and absolute*
8 *discretion*, that the ~~approval~~ *registration* of the organization *to*
9 *operate a charitable lottery or charitable game and the prizes*
10 *offered* would not be contrary to the public interest.

11 ~~(e)~~ (b) Provide a qualified organization, within 30 days after
12 its submission of an application pursuant to NRS 462.160, with
13 written notification of the basis for any refusal by the ~~Executive~~
14 ~~Director~~ *Chair* to register ~~or approve~~ the qualified organization
15 pursuant to this section.

16 2. The registration ~~or approval~~ of a qualified organization *to*
17 *operate a charitable lottery or charitable game* is a revocable
18 privilege. No person has any right to be registered ~~or approved~~ *to*
19 *operate a charitable lottery or charitable game* by the ~~Executive~~
20 ~~Director~~ *Chair* or acquires any vested right upon being registered
21 ~~or approved~~ by the ~~Executive Director~~.

22 ~~—3. Unless earlier revoked, the registration or approval of a~~
23 ~~qualified organization is valid for the calendar year and expires on~~
24 ~~December 31.] Chair.~~

25 **Sec. 16.** NRS 462.160 is hereby amended to read as follows:

26 462.160 1. To register with ~~or request the approval of~~ the
27 ~~Executive Director,~~ *Chair to operate a charitable lottery or*
28 *charitable game*, a qualified organization must submit to the
29 ~~Executive Director:] Chair:~~

30 (a) A written application containing:

31 (1) The name, address and nature of the organization.

32 (2) Proof that the organization is a qualified organization.

33 (3) The names of the officers or principals of the
34 organization, and of any person responsible for the management,
35 administration or supervision of the organization's charitable
36 lotteries *or charitable games* and any activities related to those
37 *charitable* lotteries ~~or~~ *charitable games*.

38 (4) *A listing of vendors who will assist with each charitable*
39 *lottery or charitable game operated by the organization and the*
40 *services that will be provided.*

41 (5) A description of all the prizes to be offered in *each*
42 *charitable* ~~lotteries~~ *lottery or charitable game* operated by the
43 organization. ~~[during the calendar year to which the application~~
44 ~~pertains and, if the approval of the Executive Director is required, a]~~



1 (6) A summary of the anticipated expenses of conducting
2 ~~{those lotteries,}~~ *each charitable lottery or charitable game,*
3 including copies of any proposed agreements between the
4 organization and any suppliers of material for the operation of
5 ~~{those lotteries.}~~

6 ~~— (5) each charitable lottery or charitable game.~~

7 (7) A description of the intended use of the net proceeds of
8 *each* charitable ~~{lotteries}~~ *lottery or charitable game* operated by
9 the organization . ~~{during the calendar year to which the application~~
10 ~~pertains.~~

11 ~~— (6) (8) The {designation} address of {a primary county in~~
12 ~~which} the location where each charitable {lotteries} lottery or~~
13 ~~charitable game will be conducted by the organization . {during the~~
14 ~~calendar year to which the application pertains.~~

15 ~~— (7) (9) The operational controls for each charitable lottery~~
16 ~~or charitable game, including, without limitation:~~

17 (I) *The methods proposed for ticket sales and, if*
18 *proposing mobile, online or telephone sales, the procedures for*
19 *such sales;*

20 (II) *The audit controls for all ticket sales in this State to*
21 *ensure compliance with NRS 462.180;*

22 (III) *The rules which will be presented to the public for*
23 *each charitable lottery or charitable game;*

24 (IV) *The method of awarding all prizes and announcing*
25 *all winners to the public; and*

26 (V) *The rules and time frames for the collection of all*
27 *prizes.*

28 (10) *A statement verifying that all charitable lotteries or*
29 *charitable games will be conducted in accordance with the*
30 *standards of honesty and integrity applicable to licensed gambling*
31 *games in this State and that any prizes that would be deemed*
32 *illegal under state or federal law will not be offered.*

33 (11) Any other information the ~~{Executive Director}~~ *Chair*
34 *deems appropriate.*

35 (b) ~~{A nonrefundable fee of:~~

36 ~~— (1) For registration, \$5; or~~

37 ~~— (2) For a request for approval, \$25.}~~ *All applicable fees*
38 *established by the Commission by regulation pursuant to*
39 *subsection 3.*

40 2. A qualified organization shall submit such additional
41 information as necessary to correct or complete any information
42 submitted pursuant to this section that becomes inaccurate or
43 incomplete. The ~~{approval}~~ *registration* of a qualified organization is
44 suspended during the period that any of the information is
45 inaccurate or incomplete. The ~~{Executive Director}~~ *Chair* may



1 reinstate the ~~approval~~ *registration* of the organization only after all
2 information has been corrected and completed.

3 3. *The Commission, upon recommendation by the Board,*
4 *shall adopt regulations establishing the fees that a qualified*
5 *organization must submit to the Chair pursuant to this section.*

6 4. The money collected pursuant to this section must be
7 expended to administer and enforce the provisions of this chapter.

8 **Sec. 17.** NRS 462.170 is hereby amended to read as follows:

9 462.170 1. The Commission may, upon recommendation of
10 the Board, require:

11 (a) A qualified organization that registers with ~~for requests the~~
12 ~~approval of~~ the ~~Executive Director~~ *Chair* to file an application
13 pursuant to chapter 463 of NRS for a finding of suitability to operate
14 a charitable lottery *or charitable game* in this state.

15 (b) Any person who is employed by, a member of or otherwise
16 associated with such an organization to file an application pursuant
17 to chapter 463 of NRS for a finding of suitability to be associated
18 with the operation of a charitable lottery *or charitable game* in this
19 state.

20 2. The Board may conduct an investigation of the qualified
21 organization or associated person and submit recommendations to
22 the Commission. The qualified organization or associated person
23 must deposit with the Board a sum of money which the Board
24 determines will be adequate to pay the anticipated costs of the
25 investigation and shall upon the completion of the investigation pay
26 to the Board any additional money necessary to reimburse the Board
27 for the actual cost of the investigation. The Board shall refund any
28 overpayments.

29 3. The Commission may revoke the registration ~~for approval~~
30 of a qualified organization *to operate a charitable lottery or*
31 *charitable game* if:

32 (a) An application for a finding of suitability is not submitted to
33 the Board, together with the deposit required by subsection 2, within
34 30 days after the qualified organization receives written notice that
35 it is required pursuant to paragraph (a) of subsection 1 to file an
36 application for a finding of suitability.

37 (b) The qualified organization is found unsuitable to operate a
38 charitable lottery *or charitable game* in this state.

39 (c) An application for a finding of suitability is not submitted to
40 the Board, together with the deposit required by subsection 2, or the
41 association of the person with the organization is not terminated,
42 within 30 days after the qualified organization receives written
43 notice that an associated person is required pursuant to paragraph
44 (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 a charitable lottery *or charitable game* 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.

4. If the Commission finds that an associated person is unsuitable to be associated with the operation of a charitable lottery or charitable game in this State, any contract or agreement between the associated person and a qualified organization for the provision of personal services to the qualified organization or for conducting any activity relating to the operation of the charitable lottery or charitable game shall be deemed to be terminated without liability on the part of the qualified organization. Failure to expressly include such a condition in a contract or agreement is not a defense in any action brought pursuant to this section to terminate the contract or agreement.

Sec. 18. NRS 462.180 is hereby amended to read as follows:

462.180 ~~[A qualified organization]~~ *The Chair* shall not ~~[-~~

~~1. Except as approved by the Executive Director, sell any ticket or chance for]~~ *register a qualified organization to operate* a charitable lottery *or charitable game* outside ~~[of:~~

~~(a) The primary county in which the charitable lottery is being conducted; and~~

~~(b) Any counties that border on the primary county.~~

~~2. If the organization has been approved by the Executive Director, conduct more than one charitable lottery in any calendar quarter without the specific authorization of the Executive Director.]~~ *this State. Statewide ticket sales and online sales are permitted upon approval by the Chair, but all lottery ticket sales must be limited to persons who are physically located within this State at the time of purchase.*

Sec. 19. NRS 462.190 is hereby amended to read as follows:

462.190 A qualified organization shall not:

1. Compensate any person for the provision of prizes and supplies used in the operation of a charitable lottery ~~[-]~~ *or charitable game*, except to pay the fair market value of the prizes and supplies necessary for the operation of the charitable lottery ~~[-]~~ *or charitable game.*

2. Provide ~~[-~~

~~(a) Any compensation to a person who is not a regular employee of the organization; and~~

~~(b) Any] any~~ additional compensation to a person who is a regular employee of the organization ~~[-~~

~~→]~~ for his or her services in organizing or operating a charitable lottery *or charitable game* or assisting in the organization or



1 operation of a charitable lottery ~~[]~~ *or charitable game*. This
2 subsection does not prohibit a qualified organization from
3 compensating a person for the fair market value of services that are
4 ancillary to the organization. ~~[or operation of a charitable lottery.]~~

5 **Sec. 20.** NRS 462.200 is hereby amended to read as follows:
6 462.200 1. A qualified organization ~~[shall]~~ :

7 (a) *Shall not contract with any vendor for the operation of a*
8 *charitable lottery or charitable game who charges more than 8*
9 *percent of the gross proceeds of the charitable lottery or charitable*
10 *game in exchange for the provision of services.*

11 (b) *Shall* expend the net proceeds of a charitable lottery *or*
12 *charitable game* only for the benefit of charitable or nonprofit
13 activities in this state.

14 2. A qualified organization ~~[approved]~~ *registered* by the
15 ~~[Executive Director]~~ *Chair* shall, ~~[after the completion of a~~
16 ~~charitable lottery and no later than the end of the same calendar~~
17 ~~year,]~~ *upon request*, submit to the ~~[Executive Director]~~ *Chair* a
18 financial report on ~~[the]~~ *a* charitable lottery ~~[]~~ *or charitable game*.
19 The financial report must include a statement of:

20 (a) The expenses incurred in the operation of the charitable
21 lottery ~~[]~~ *or charitable game*; and

22 (b) The amount and use of the net proceeds of the charitable
23 lottery ~~[]~~ *or charitable game*.

24 **Sec. 21.** NRS 462.250 is hereby amended to read as follows:

25 462.250 A person who contrives, prepares, sets up, proposes or
26 ~~[draws]~~ *operates* any lottery, except as authorized pursuant to this
27 chapter, is guilty of a *gross* misdemeanor.

28 **Sec. 22.** NRS 462.260 is hereby amended to read as follows:

29 462.260 A person who sells, gives or in any manner whatever
30 furnishes or transfers to or for any other person any ticket, chance,
31 share or interest, or any paper, certificate or instrument purporting
32 or understood to be or to represent any ticket, chance, share or
33 interest in or depending upon the event of any lottery, except as
34 authorized pursuant to this chapter, is guilty of a *gross*
35 misdemeanor.

36 **Sec. 23.** NRS 462.280 is hereby amended to read as follows:

37 462.280 A person who intentionally aids or assists, either by
38 printing, writing, advertising, publishing or otherwise, in setting up,
39 managing or ~~[drawing]~~ *operating* any lottery in violation of this
40 chapter, or in selling or disposing of any ticket, chance or share
41 therein, is guilty of a *gross* misdemeanor.

42 **Sec. 24.** NRS 462.290 is hereby amended to read as follows:

43 462.290 Every person who opens, sets up or keeps by himself
44 or herself or by any other person any office or other place for the
45 sale of or for registering the number of any ticket in any lottery in



1 violation of this chapter, or who by printing, writing or other means
2 intentionally advertises or publishes the setting up, opening or using
3 of any such office, is guilty of a *gross* misdemeanor.

4 **Sec. 25.** NRS 462.300 is hereby amended to read as follows:

5 462.300 Every person who insures or receives any
6 consideration for insuring for or against the drawing of any ticket in
7 any lottery whatever, whether drawn or to be drawn within this state
8 or not, or who receives any valuable consideration upon any
9 agreement to repay any sum or deliver the same, or any other
10 property, if any lottery ticket or number of any ticket in any lottery
11 shall prove fortunate or unfortunate, or shall be drawn or not be
12 drawn at any particular time or in any particular order, or who
13 promises or agrees to pay any sum of money, or to deliver any
14 goods, things in action or property, or to forbear to do anything for
15 the benefit of any person, with or without consideration, upon any
16 event or contingency dependent upon the drawing of any ticket in
17 any lottery, or who publishes any notice or proposal of any of the
18 purposes aforesaid, is guilty of a *gross* misdemeanor.

19 **Sec. 26.** NRS 462.320 is hereby amended to read as follows:

20 462.320 A person who lets or permits to be used any building
21 or vessel, or any portion thereof, knowing that it is to be used for
22 setting up, managing or drawing any lottery in violation of this
23 chapter, or for the purpose of selling or disposing of lottery tickets
24 in violation of this chapter, is guilty of a *gross* misdemeanor.

25 **Sec. 27.** NRS 463.0152 is hereby amended to read as follows:

26 463.0152 "Game" or "gambling game" means any game
27 played with cards, dice, equipment or any mechanical,
28 electromechanical or electronic device or machine for money,
29 property, checks, credit or any representative of value, including,
30 without limiting the generality of the foregoing, faro, monte,
31 roulette, keno, bingo, fan-tan, twenty-one, blackjack, seven-and-a-
32 half, big injun, klondike, craps, poker, chuck-a-luck, Chinese chuck-
33 a-luck (dai shu), wheel of fortune, chemin de fer, baccarat, pai gow,
34 beat the banker, panguingui, slot machine, any banking or
35 percentage game or any other game or device approved by the
36 Commission, but does not include games played with cards in
37 private homes or residences in which no person makes money for
38 operating the game, except as a player, or games operated by
39 ~~[charitable or educational]~~ *qualified* organizations ~~[which]~~ *that* are
40 ~~[approved]~~ *registered* by the ~~[Board]~~ *Chair* pursuant to the
41 provisions of *chapter 462 of NRS . [463.409.]*

42 **Sec. 28.** NRS 463.160 is hereby amended to read as follows:

43 463.160 1. Except as otherwise provided in subsection 4 and
44 NRS 463.172 ~~[]~~ *and section 5 of this act*, it is unlawful for any



1 person, either as owner, lessee or employee, whether for hire or not,
2 either solely or in conjunction with others:

3 (a) To deal, operate, carry on, conduct, maintain or expose for
4 play in the State of Nevada any gambling game, gaming device,
5 inter-casino linked system, mobile gaming system, slot machine,
6 race book or sports pool;

7 (b) To provide or maintain any information service;

8 (c) To operate a gaming salon;

9 (d) To receive, directly or indirectly, any compensation or
10 reward or any percentage or share of the money or property played,
11 for keeping, running or carrying on any gambling game, slot
12 machine, gaming device, mobile gaming system, race book or sports
13 pool;

14 (e) To operate as a cash access and wagering instrument service
15 provider; or

16 (f) To operate, carry on, conduct, maintain or expose for play in
17 or from the State of Nevada any interactive gaming system,

18 ↪ without having first procured, and thereafter maintaining in
19 effect, all federal, state, county and municipal gaming licenses as
20 required by statute, regulation or ordinance or by the governing
21 board of any unincorporated town.

22 2. The licensure of an operator of an inter-casino linked system
23 is not required if:

24 (a) A gaming licensee is operating an inter-casino linked system
25 on the premises of an affiliated licensee; or

26 (b) An operator of a slot machine route is operating an inter-
27 casino linked system consisting of slot machines only.

28 3. Except as otherwise provided in subsection 4, it is unlawful
29 for any person knowingly to permit any gambling game, slot
30 machine, gaming device, inter-casino linked system, mobile gaming
31 system, race book or sports pool to be conducted, operated, dealt or
32 carried on in any house or building or other premises owned by the
33 person, in whole or in part, by a person who is not licensed pursuant
34 to this chapter, or that person's employee.

35 4. The Commission may, by regulation, authorize a person to
36 own or lease gaming devices for the limited purpose of display or
37 use in the person's private residence without procuring a state
38 gaming license.

39 5. For the purposes of this section, the operation of a race book
40 or sports pool includes making the premises available for any of the
41 following purposes:

42 (a) Allowing patrons to establish an account for wagering with
43 the race book or sports pool;

44 (b) Accepting wagers from patrons;

45 (c) Allowing patrons to place wagers;



1 (d) Paying winning wagers to patrons; or
2 (e) Allowing patrons to withdraw cash from an account for
3 wagering or to be issued a ticket, receipt, representation of value or
4 other credit representing a withdrawal from an account for wagering
5 that can be redeemed for cash,

6 ↪ whether by a transaction in person at an establishment or through
7 mechanical means, such as a kiosk or similar device, regardless of
8 whether that device would otherwise be considered associated
9 equipment. A separate license must be obtained for each location at
10 which such an operation is conducted.

11 6. As used in this section, "affiliated licensee" has the meaning
12 ascribed to it in NRS 463.430.

13 **Sec. 29.** NRS 462.055, 462.095, 463.409, 463.4091,
14 463.40915, 463.4092, 463.40925, 463.4093, 463.40935, 463.4094,
15 463.40945, 463.4095, 463.40955, 463.4096 and 463.40965 are
16 hereby repealed.

LEADLINES OF REPEALED SECTIONS

462.055 "Calendar quarter" defined.

462.095 "Executive Director" defined.

463.409 Approval by Board of game operated by charitable organization; conditions; exceptions.

463.4091 Definitions.

463.40915 "Calendar quarter" defined.

463.4092 "Charitable or nonprofit activity" defined.

463.40925 "Net proceeds" defined.

463.4093 "Qualified organization" defined.

463.40935 Administration of provisions by Board and Commission; regulations.

463.4094 Requirements for operation of charitable bingo game without gaming license.

463.40945 Registration and approval of qualified organization: Duties of Executive Director; revocable privilege; expiration.

463.4095 Requirements for registration and approval of Executive Director.

463.40955 Commission may require finding of suitability.



463.4096 Prohibited acts concerning compensation of employees of qualified organizations and other persons.

463.40965 Reporting and expenditure of net proceeds of charitable bingo.



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