

ASSEMBLY BILL NO. 279—ASSEMBLYMAN OHRENSCHALL

MARCH 15, 2011

Referred to Committee on Judiciary

SUMMARY—Authorizes independent testing laboratories to inspect and certify gaming devices, equipment and systems. (BDR 41-570)

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; requiring the Nevada Gaming Commission to adopt regulations pertaining to independent testing laboratories; authorizing independent testing laboratories to inspect and certify gaming devices, equipment and systems; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law authorizes the State Gaming Control Board to inspect every
2 gaming device which is manufactured, sold or distributed: (1) for use in this State,
3 before the gaming device is put into play; and (2) in this State for use outside this
4 State, before the gaming device is shipped from this State. The Board may also
5 inspect every gaming device which is offered for play within this State by a state
6 gaming licensee. Additionally, the Board may inspect various gaming equipment
7 and systems which are manufactured, sold or distributed for use in this State and
8 may determine, charge and collect an inspection fee from each gaming
9 manufacturer, seller or distributor. (NRS 463.670)

10 This bill requires the Nevada Gaming Commission to adopt regulations
11 providing for the registration of independent testing laboratories, which may be
12 utilized by the Board to inspect and certify gaming devices, equipment and
13 systems, and any components thereof, and providing for the standards and
14 procedures for the revocation of registration of such independent testing
15 laboratories. Such regulations must establish uniform protocols and procedures that
16 the Board and independent testing laboratories must follow during the inspection
17 and certification of gaming devices, equipment and systems, and any components
18 thereof. This bill also authorizes the Commission to determine, charge and collect
19 inspection fees from independent testing laboratories.



* A B 2 7 9 R 1 *

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

- 1 **Section 1.** NRS 463.670 is hereby amended to read as follows:
2 463.670 1. The Legislature finds and declares as facts:
3 (a) That the inspection of gaming devices, associated equipment,
4 cashless wagering systems, mobile gaming systems and interactive
5 gaming systems is essential to carry out the provisions of this
6 chapter. ~~[-; and]~~
7 (b) That *the* inspection of gaming devices, associated
8 equipment, cashless wagering systems, mobile gaming systems and
9 interactive gaming systems is greatly facilitated by the opportunity
10 to inspect components before assembly and to examine the methods
11 of manufacture.
12 (c) *That the interest of this State in the inspection of gaming*
13 *devices, associated equipment, cashless wagering systems, mobile*
14 *gaming systems and interactive gaming systems must be balanced*
15 *with the interest of this State in maintaining a competitive gaming*
16 *industry in which games can be efficiently and expeditiously*
17 *brought to the market.*
18 2. *The Commission may, with the advice and assistance of the*
19 *Board, adopt and implement procedures that preserve and*
20 *enhance the necessary balance between the regulatory and*
21 *economic interests of this State which are critical to the vitality of*
22 *the gaming industry of this State.*
23 3. The Board may inspect every gaming device which is
24 manufactured, sold or distributed:
25 (a) For use in this State, before the gaming device is put into
26 play.
27 (b) In this State for use outside this State, before the gaming
28 device is shipped out of this State.
29 ~~[3-]~~ 4. The Board may inspect every gaming device which is
30 offered for play within this State by a *state gaming* licensee.
31 ~~[4-]~~ 5. The Board may inspect all associated equipment, every
32 cashless wagering system, every mobile gaming system and every
33 interactive gaming system which is manufactured, sold or
34 distributed for use in this State before the equipment or system is
35 installed or used by a *state gaming* licensee and at any time while
36 the *state gaming* licensee is using the equipment or system.
37 ~~[5-]~~ 6. In addition to all other fees and charges imposed by this
38 chapter, the Board may determine, charge and collect an inspection
39 fee from each manufacturer, seller, ~~[-or]~~ distributor *or independent*
40 *testing laboratory* which must not exceed the actual cost of
41 inspection and investigation.



1 7. *The Commission shall adopt regulations which:*

2 (a) *Provide for the registration of independent testing*
3 *laboratories, specify the form of the application required for such*
4 *registration and establish the fees required for the application, the*
5 *investigation of the applicant and the registration of the applicant.*

6 (b) *Authorize the Board to utilize independent testing*
7 *laboratories for the inspection and certification of any gaming*
8 *device, associated equipment, cashless wagering system, mobile*
9 *gaming system or interactive gaming system, or any components*
10 *thereof.*

11 (c) *Establish uniform protocols and procedures which the*
12 *Board and independent testing laboratories must follow during an*
13 *inspection performed pursuant to subsection 3 or 5, and which*
14 *independent testing laboratories must follow during the*
15 *certification of any gaming device, associated equipment, cashless*
16 *wagering system, mobile gaming system or interactive gaming*
17 *system, or any components thereof, for use in this State or for*
18 *shipment from this State.*

19 (d) *Allow an application for the registration of an independent*
20 *testing laboratory to be granted upon the independent testing*
21 *laboratory's completion of an inspection performed in compliance*
22 *with the uniform protocols and procedures established pursuant to*
23 *paragraph (c) and satisfaction of such other requirements that the*
24 *Board may establish.*

25 (e) *Provide the standards and procedures for the revocation of*
26 *the registration of an independent testing laboratory.*

27 8. *As used in this section, unless the context otherwise*
28 *requires, "independent testing laboratory" means a private*
29 *laboratory that is registered by the Commission to inspect and*
30 *certify gaming devices, associated equipment, cashless wagering*
31 *systems, mobile gaming systems and interactive gaming systems,*
32 *and any components thereof, and to perform such other services*
33 *as the Board and Commission may request.*

34 **Sec. 1.5.** *The Nevada Gaming Commission shall adopt the*
35 *regulations required to be adopted pursuant to the amendatory*
36 *provisions of this act before October 1, 2011.*

37 **Sec. 2.** *This act becomes effective:*

38 1. *Upon passage and approval, for the purpose of adopting*
39 *regulations; and*

40 2. *On October 1, 2011, for all other purposes.*



