

Updates to Nevada's Gaming Law – 2015 Legislative Session (Cont.)

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Extending the Reach of Nevada's Gaming Regulation: SB38, SB40 and SB409

SB38

Senate Bill 38 extends the reach of the Board to a new category of licensees, to nightclubs and day clubs that are located on the premises of a Nevada licensed casino resort. Senate Bill 38 essentially treats club operators in a manner similar to gaming licensees. If required by the Board or the Nevada Gaming Commission, the employees of such clubs shall be subject to a background investigation similar to those conducted for gaming employees.

As noted in a previous blog post, Senate Bill 38 also expands the powers of the Board to regulate and license associated equipment manufacturers ("AEMs"). Specifically, licensing or findings of suitability for AEMs will move from discretionary to mandatory. This change will also shift the burden for the cost of any licensing investigations from the Board to the AEM applicant. Finally, the employees of an AEM are now deemed to be "gaming employees" and subject to regulation as such.

This bill also removes certain licensure requirements for manufacturers of equipment associated with interactive gaming. The Board determined that there are two categories of interactive gaming service providers with no need for licensure: those who provide certain intellectual property related to identifying interactive gaming systems and those who provide information regarding persons for customer lists and databases. The Board has similarly considered removing licensing requirements for cash access and wagering service providers, and had language to this extent in the initial draft of the bill, but decided to keep those requirements in place.

Finally, SB38 amends Nevada's charitable lottery laws to expressly list nonprofit alumni organizations and legal bar associations as qualified nonprofit organizations that may offer charitable lotteries and to permit statewide charitable lotteries. It also clarifies language in the statute regarding triggers for charitable lottery registration requirements to be consistent with the Board's practice.

SB40

Filed on behalf of the Board, Senate Bill 40 targets illegal offshore wagering sites and other illegal bookmakers. It prohibits a person from receiving any compensation or reward, or any percentage or share of the money or property played for, in return for facilitating a bet on a future contingent event, unless that person has the required gaming license to do so. The Board brought this bill because Nevada did not have an illegal bookmaking law to use to prosecute this illegal activity. The intent was to make a specific illegal bookmaking statute the Board can utilize in future prosecutions instead of a licensing statute (NRS 463.160)

SB409

Senate Bill 409 amends Nevada's consumer reporting laws to remove restrictions on what a credit reporting agency may report to gaming operators. Now a credit reporting agency is no longer prohibited from reporting to gaming licensees information about a job applicant regarding bankruptcies older than ten years, other civil judgments older than seven years, and criminal convictions older than seven years. Now there is no limitation on how far back such checks may run.

This is a continuation of our [previous article](#) regarding the 2015 Nevada legislative session.

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