

SENATE BILL NO. 120—SENATORS CANCELA; AND SEGERBLOM

PREFILED FEBRUARY 13, 2017

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to problem gambling.  
(BDR 40-810)

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

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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 problem gambling; revising the membership and duties of the Advisory Committee on Problem Gambling; revising provisions relating to the deposits of money in the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law establishes the Advisory Committee on Problem Gambling. (NRS 458A.060) The Advisory Committee reviews requests for a grant of money or a contract for services to provide programs and services related to problem gambling and performs certain other tasks relating to funding such programs and services. (NRS 458A.070) The Chair of the Advisory Committee is authorized to appoint groups for certain purposes relating to the duties of the Advisory Committee. (NRS 458A.080) **Sections 1-3** of this bill revise the membership and duties of the Advisory Committee and the purposes for which the Chair may appoint groups.

Existing law creates the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling. The money in the Account must be expended to award grants of money or contracts for services to provide programs and services relating to problem gambling. (NRS 458A.090) Existing law requires the Nevada Gaming Commission to deposit quarterly into the Account an amount equal to \$2 for each slot machine that is subject to certain license fees. (NRS 463.320) **Section 4** of this bill instead requires the Commission to deposit into the account a portion of the total revenue collected from such license fees.



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

**Section 1.** NRS 458A.060 is hereby amended to read as follows:

458A.060 1. The Advisory Committee on Problem Gambling, consisting of nine regular members, is hereby created within the Department.

2. The Governor shall appoint the following regular members to the Advisory Committee:

(a) One regular member who holds *or is a representative of an association of persons who hold* a restricted gaming license;

(b) Two regular members who ~~hold nonrestricted gaming licenses;~~ *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 last preceding year, from a list of nominees submitted by the association;*

(c) Two regular members who ~~work in the area of mental health;~~ *are certified as problem gambling counselors pursuant to chapter 641C of NRS and are currently practicing,* at least one of whom ~~has experience in the treatment of persons who are~~ *is certified in the treatment of* problem gamblers ~~;~~ *by a national or state organization;*

(d) One regular member who represents ~~the Nevada System of Higher Education and has experience in the prevention or treatment of~~ *an organization that promotes awareness of problem gambling and provides assistance to persons affected by* problem gambling; and

(e) ~~One regular member who represents an organization for veterans; and~~

~~—(f) Two~~ *Three* regular members who ~~represent organizations that provide assistance to persons who are problem gamblers;~~ *are residents of this State and who have personal or professional knowledge and experience concerning problem gambling and related issues, including, without limitation, personal recovery, populations at risk of problem gambling, the assessment of needs, research and providing supportive services to problem gamblers.*

3. Each regular member appointed pursuant to paragraph (a) or (b) of subsection 2 may appoint an alternate member to serve in his or her place if he or she is unable to attend a meeting or perform his or her duties.

4. After the initial terms, each regular member of the Advisory Committee serves for a term of 2 years. Each regular member of the Advisory Committee continues in office until his or her successor is



1 appointed. Each alternate member appointed pursuant to subsection  
2 3 serves during the term of the regular member who appointed him  
3 or her and may be reappointed.

4 5. The regular members and alternate members of the Advisory  
5 Committee serve without compensation, except that the regular  
6 members and alternate members are entitled to receive the per diem  
7 allowance and travel expenses provided for state officers and  
8 employees generally while engaged in the business of the Advisory  
9 Committee.

10 6. A majority of the total membership of the Advisory  
11 Committee constitutes a quorum for the transaction of business, and  
12 a majority of a quorum present at any meeting is sufficient for any  
13 action taken by the Advisory Committee.

14 7. A regular member of the Advisory Committee who is an  
15 officer or employee of the State or a political subdivision of the  
16 State must be relieved from his or her duties without loss of his or  
17 her regular compensation so that he or she may prepare for and  
18 attend meetings of the Advisory Committee and perform any work  
19 necessary to carry out the duties of the Advisory Committee in the  
20 most timely manner practicable. A state agency or political  
21 subdivision of the State shall not require an officer or employee who  
22 is a regular member of the Advisory Committee to:

23 (a) Make up the time he or she is absent from work to carry out  
24 his or her duties as a regular member of the Advisory Committee; or

25 (b) Take annual leave or compensatory time for the absence.

26 8. The Advisory Committee shall:

27 (a) At its first meeting and annually thereafter, elect a Chair  
28 from among its regular members;

29 (b) Meet at the call of the Director, the Chair or a majority of its  
30 regular members as necessary, within the budget of the Advisory  
31 Committee, but not to exceed six meetings per year; and

32 (c) Adopt rules for its management and government.

33 **Sec. 2.** NRS 458A.070 is hereby amended to read as follows:

34 458A.070 The Advisory Committee shall:

35 1. ~~{Review each request received by the Department from a~~  
36 ~~state agency or other political subdivision of the State or from an~~  
37 ~~organization or educational institution for a grant of money or a~~  
38 ~~contract for services to provide programs for the prevention and~~  
39 ~~treatment of problem gambling or to provide services related to the~~  
40 ~~development of data, the assessment of needs, the performance of~~  
41 ~~evaluations or technical assistance;} *Provide advice and*~~  
42 *information to the Governor, the Legislature, the Department and*  
43 *other state agencies on issues and trends in the area of problem*  
44 *gambling for the purposes of:*



1 (a) *Assisting in the establishment of priorities and criteria for*  
2 *funding programs and services for the prevention and treatment of*  
3 *problem gambling;*

4 (b) *Providing services relating to the development of data, the*  
5 *assessment of needs, the performance of evaluations and technical*  
6 *assistance concerning problem gambling; and*

7 (c) *Recommending legislation, regulations or the adoption of*  
8 *public policy concerning problem gambling.*

9 2. ~~{Recommend to the Director each request received pursuant~~  
10 ~~to subsection 1 that the Advisory Committee believes should be~~  
11 ~~awarded;}~~ *Review recommendations made by the Department for*  
12 *granting money or contracting for services for the prevention and*  
13 *treatment of problem gambling and make recommendations to the*  
14 *Director concerning the award of such grants and contracts.*

15 3. ~~{Establish criteria for determining which state agencies and~~  
16 ~~other political subdivisions of the State and organizations and~~  
17 ~~educational institutions to recommend for grants of money or~~  
18 ~~contracts for services pursuant to subsection 2;~~

19 ~~—4.— Monitor each grant of money awarded by the Department to~~  
20 ~~provide programs for the prevention and treatment of problem~~  
21 ~~gambling or to provide services related to the development of data,~~  
22 ~~the assessment of needs, the performance of evaluations or technical~~  
23 ~~assistance; and~~

24 ~~—5.— Assist the Department in determining the needs of local~~  
25 ~~communities and in establishing priorities for funding}~~ *Review*  
26 *reports compiled by the Department concerning the outcome and*  
27 *evaluation of programs and services funded by the Department* for  
28 the prevention and treatment of problem gambling and ~~{funding}~~  
29 services *funded by the Department* related to the development of  
30 data, the assessment of needs, the performance of evaluations or  
31 technical assistance.

32 **Sec. 3.** NRS 458A.080 is hereby amended to read as follows:

33 458A.080 The Chair of the Advisory Committee may appoint  
34 groups consisting of members of the Advisory Committee, former  
35 members of the Advisory Committee and members of the public  
36 who have appropriate experience or knowledge to:

37 1. Consider specific ~~{problems or other}~~ *issues and policy*  
38 matters that are related to ~~{and within the scope of activities of the~~  
39 ~~Advisory Committee;}~~ *the prevalence, impact, prevention and*  
40 *treatment of problem gambling;* and

41 2. ~~{Review requests for grants of money or contracts for~~  
42 ~~services related to specific programs for the prevention and~~  
43 ~~treatment of problem gambling or services related to the~~  
44 ~~development of data, the assessment of needs, the performance of~~  
45 ~~evaluations or technical assistance.}~~ *Assist in researching and*



*developing strategic plans to fund and deliver comprehensive programs and services to prevent and treat problem gambling and make recommendations concerning such strategic plans.*

**Sec. 4.** NRS 463.320 is hereby amended to read as follows:

463.320 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) Except as otherwise provided in paragraphs (c), (d) and (e), 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 the 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.

(c) One twenty-fifth of the license fee imposed by the provisions of NRS 463.370 on gross revenue which exceeds \$134,000 per calendar month that is paid pursuant to subsection 2 of NRS 464.045 by persons licensed to conduct off-track pari-mutuel wagering must, after the deduction of costs of administration and collection, be allocated pro rata among the counties in this State whose population is less than 100,000 in which on-track pari-mutuel wagering is conducted. The allocation must be based upon the



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1 amounts paid from each such county pursuant to subsection 2 of  
2 NRS 466.125 and transmitted to the respective county treasurers.  
3 Money received by a county treasurer pursuant to this paragraph  
4 must be deposited in the county general fund and expended to  
5 augment any stakes, purses or rewards which are offered with  
6 respect to horse races conducted in that county by a state fair  
7 association, agricultural society or county fair and recreation board.

8 (d) Ten percent of the amount of the license fee imposed by the  
9 provisions of NRS 463.370 that is paid pursuant to subsection 2 of  
10 NRS 464.045 by persons licensed to conduct off-track pari-mutuel  
11 wagering which exceeds \$5,036,938 per calendar year must, after  
12 the deduction of costs of administration and collection, be allocated  
13 pro rata among the counties in this State whose population is less  
14 than 100,000 in which on-track pari-mutuel wagering is conducted.  
15 The allocation must be based upon the amounts paid from each such  
16 county pursuant to subsection 2 of NRS 466.125 and must be  
17 transmitted to the respective county treasurers as provided in this  
18 paragraph. On March 1 of each year, the Board shall calculate the  
19 amount of money to be allocated to the respective county treasurers  
20 and notify the State Treasurer of the appropriate amount of each  
21 allocation. The State Treasurer shall transfer the money to the  
22 respective county treasurers. Money received by a county treasurer  
23 pursuant to this paragraph must be deposited in the county general  
24 fund and expended to augment any stakes, purses or rewards which  
25 are offered with respect to horse races conducted in that county by a  
26 state fair association, agricultural society or county fair and  
27 recreation board.

28 (e) ~~The~~ *From the proceeds of the license fees imposed*  
29 *pursuant to NRS 463.373 and 463.375 and collected by the*  
30 *Commission, the* Commission shall deposit quarterly in the  
31 Revolving Account to Support Programs for the Prevention and  
32 Treatment of Problem Gambling created by NRS 458A.090 ~~an~~  
33 ~~amount equal to \$2 for each slot machine that is subject to the~~  
34 ~~license fee imposed pursuant to NRS 463.373 and 463.375 and~~  
35 ~~collected by the Commission.~~ :

36 (1) *The sum of \$722,500, as adjusted annually pursuant to*  
37 *this subsection; or*

38 (2) *The proceeds of the license fees for the calendar quarter*  
39 *last preceding the deposit,*

40 *whichever is less. Commencing on July 1, 2018, the amount of*  
41 *the quarterly deposit required by this subsection must be adjusted*  
42 *on July 1 of each year by an amount equal to the product of the*  
43 *amount applicable during the last preceding 12-month period,*  
44 *multiplied by the percentage of increase, if any, in the Consumer*



1 *Price Index for West Urban Consumers for the last preceding*  
2 *calendar year.*

3 **Sec. 5.** 1. Notwithstanding any other provision of law, the  
4 terms of the members appointed to the Advisory Committee on  
5 Problem Gambling pursuant to NRS 458A.060, as that section exists  
6 on June 30, 2017, expire on that date.

7 2. As soon as practicable on or after July 1, 2017, the Governor  
8 shall appoint to the Advisory Committee on Problem Gambling  
9 created by NRS 458A.060, as amended by section 1 of this act:

10 (a) Four members to terms expiring on June 30, 2018; and

11 (b) Five members to terms expiring on June 30, 2019.

12 **Sec. 6.** 1. This section and section 5 of this act become  
13 effective upon passage and approval.

14 2. Sections 1 to 4, inclusive, of this act become effective on  
15 July 1, 2017.



