

ASSEMBLY BILL NO. 202—ASSEMBLYMAN YEAGER

MARCH 8, 2021

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to charitable lotteries and charitable games. (BDR 41-581)

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 the registration of a qualified organization to operate a charitable lottery or charitable game; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, a qualified organization must register with the Chair of the
2 Nevada Gaming Control Board before operating a charitable lottery. (NRS
3 462.140) Existing law defines a “qualified organization” as an alumni, charitable,
4 civic, educational, fraternal, patriotic, religious or veterans’ organization or a state
5 or local bar association that does not operate for profit. (NRS 462.125) Also,
6 existing law requires the Nevada Gaming Commission, upon recommendation by
7 the Board, to adopt regulations establishing the fees that a qualified organization
8 must submit to the Chair to operate a charitable lottery or charitable game. (NRS
9 462.160) This bill provides that if the total value of the prizes offered by the
10 qualified organization in the same calendar year is less than \$100,000: (1)
11 the qualified organization must register annually with the Board; and (2) the
12 regulations adopted by the Commission must not impose an annual fee that exceeds
13 \$10 on such a qualified organization.

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

1 **Section 1.** NRS 462.160 is hereby amended to read as follows:
2 462.160 1. ~~[(1)]~~ *Except as otherwise provided in subsection*
3 *3, to* register with the Chair to operate a charitable lottery or
4 charitable game, a qualified organization must submit to the Chair:
5 (a) A written application containing:



- 1 (1) The name, address and nature of the organization.
- 2 (2) Proof that the organization is a qualified organization.
- 3 (3) The names of the officers or principals of the
- 4 organization, and of any person responsible for the management,
- 5 administration or supervision of the organization's charitable
- 6 lotteries or charitable games and any activities related to those
- 7 charitable lotteries or charitable games.
- 8 (4) A listing of vendors who will assist with each charitable
- 9 lottery or charitable game operated by the organization and the
- 10 services that will be provided.
- 11 (5) A description of all the prizes to be offered in each
- 12 charitable lottery or charitable game operated by the organization.
- 13 (6) A summary of the anticipated expenses of conducting
- 14 each charitable lottery or charitable game, including copies of any
- 15 proposed agreements between the organization and any suppliers of
- 16 material for the operation of each charitable lottery or charitable
- 17 game.
- 18 (7) A description of the intended use of the net proceeds of
- 19 each charitable lottery or charitable game operated by the
- 20 organization.
- 21 (8) The address of the location where each charitable lottery
- 22 or charitable game will be conducted by the organization.
- 23 (9) The operational controls for each charitable lottery or
- 24 charitable game, including, without limitation:
 - 25 (I) The methods proposed for ticket sales and, if
 - 26 proposing mobile, online or telephone sales, the procedures for such
 - 27 sales;
 - 28 (II) The audit controls for all ticket sales in this State to
 - 29 ensure compliance with NRS 462.180;
 - 30 (III) The rules which will be presented to the public for
 - 31 each charitable lottery or charitable game;
 - 32 (IV) The method of awarding all prizes and announcing
 - 33 all winners to the public; and
 - 34 (V) The rules and time frames for the collection of all
 - 35 prizes.
- 36 (10) A statement verifying that all charitable lotteries or
- 37 charitable games will be conducted in accordance with the standards
- 38 of honesty and integrity applicable to licensed gambling games in
- 39 this State and that any prizes that would be deemed illegal under
- 40 state or federal law will not be offered.
- 41 (11) Any other information the Chair deems appropriate.
- 42 (b) All applicable fees established by the Commission by
- 43 regulation pursuant to subsection ~~3~~ 4.
- 44 2. A qualified organization shall submit such additional
- 45 information as necessary to correct or complete any information



1 submitted pursuant to this section that becomes inaccurate or
2 incomplete. The registration of a qualified organization is suspended
3 during the period that any of the information is inaccurate or
4 incomplete. The Chair may reinstate the registration of the
5 organization only after all information has been corrected and
6 completed.

7 3. *If the total value of the prizes offered by a qualified*
8 *organization in the same calendar year is less than \$100,000:*

9 (a) *The qualified organization must register annually with the*
10 *Board; and*

11 (b) *The regulations adopted by the Commission pursuant to*
12 *subsection 4 must not impose an annual fee that exceeds \$10 on*
13 *such a qualified organization.*

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

17 ~~[4.]~~ 5. The money collected pursuant to this section must be
18 expended to administer and enforce the provisions of this chapter.

19 **Sec. 2.** This act becomes effective upon passage and approval.

