CHAPTER 464 - PARI-MUTUEL WAGERING

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NRS 464.005 Definitions. As used in this chapter, unless the context otherwise requires:

- 1. "Gross revenue" means the amount of the commission received by a licensee that is deducted from off-track pari-mutuel wagering, plus breakage and the face amount of unpaid winning tickets that remain unpaid for a period specified by the Nevada Gaming Commission.
- "Off-track pari-mutuel system" means a computerized system, or component of such a system, that is used with regard to a parimutuel pool to transmit information such as amounts wagered, odds and payoffs on races.
- "Off-track pari-mutuel wagering" means any pari-mutuel system of wagering approved by the Nevada Gaming Commission for the acceptance of wagers on:
 - (a) Horse or dog races which take place outside of this state; or

(b) Sporting events.

NRS 464 005

Definitions

- 'Operator of a system' means a person engaged in providing an off-track pari-mutuel system.
- "Pari-mutuel system of wagering" means any system whereby wagers with respect to the outcome of a race or sporting event are placed in a wagering pool conducted by a person licensed or otherwise permitted to do so under state law, and in which the participants are wagering with each other and not against that person. The term includes off-track pari-mutuel wagering. (Added to NRS by 1983, 1891; A 1985, 518; 1987, 634; 1991, 1845; 1993, 2049; 1995, 1501; 1997, 3509; 2009, 2429)

NRS 464.010 Licenses required.

- 1. It is unlawful for any person, either as owner, lessee or employee, whether for hire or not, to operate, carry on, conduct or maintain in this state, any form of wagering under the pari-mutuel system on any racing or sporting event without having first procured and maintained all required federal, state, county and municipal licenses.
 - 2. It is unlawful for any person to function as an operator of a system without having first obtained a state gaming license.
- Where any other state license is required to conduct a racing or sporting event, that license must first be procured before the pari-

[1:231:1949; 1943 NCL § 6226.01] + [Part 10:231:1949; 1943 NCL § 6226.10] — (NRS A 1965, 521; 1973, 463; 1981, 1102; 1983, 1892; 1991, 1845)

NRS 464.015 Fee for issuance or renewal of license; disposition.

- 1. In addition to any other fees imposed by law, the Nevada Gaming Commission shall charge and collect a fee of \$500 from each applicant for the issuance or renewal of a license as an operator of a system. The fee must be charged and collected on or before December 31 for the ensuing calendar year.
- 2. Each such license must be issued for the calendar year and expires on December 31. The Nevada Gaming Commission shall not prorate the fee for a license that is issued for less than 1 year.
- 3. All fees collected pursuant to this section must be paid over immediately to the State Treasurer to be deposited to the credit of the State General Fund.

(Added to NRS by 1993, 315; A 1995, 208)

NRS 464.020 Administration by Nevada Gaming Commission: Issuance of licenses; times and places for wagering; regulations; authority and procedure for appointing Off-Track Pari-Mutuel Wagering Committee; inspection of books and records of licensees.

- 1. The Nevada Gaming Commission is charged with the administration of this chapter for the protection of the public and in the public interest.
- 2. The Nevada Gaming Commission may issue licenses permitting the conduct of the pari-mutuel system of wagering, including offtrack pari-mutuel wagering, and may adopt, amend and repeal regulations relating to the conduct of such wagering.
 - The wagering must be conducted only by the licensee at the times determined by the Nevada Gaming Commission and only:
 - (a) Within the enclosure wherein the race or other sporting event which is the subject of the wagering occurs; or
- (b) Within a licensed gaming establishment which has been approved to conduct off-track pari-mutuel wagering. Ê This subsection does not prohibit a person licensed to accept, pursuant to regulations adopted by the Nevada Gaming Commission, offtrack pari-mutuel wagers from accepting wagers made by wire communication from patrons within the State of Nevada, from other states in which such wagering is legal or from places outside the United States in which such wagering is legal.
 - 4. The regulations of the Nevada Gaming Commission may include, without limitation:
 - (a) Requiring fingerprinting of an applicant or licensee, or other method of identification.
 - (b) Requiring information concerning an applicant's antecedents, habits and character.
- (c) Prescribing the method and form of application which any applicant for a license issued pursuant to this chapter must follow and complete before consideration of the applicant's application by the Nevada Gaming Commission.
- (d) Prescribing the permissible communications technology and requiring the implementation of border control technology that will ensure that a person cannot place a wager with a race book in this State from another state or another location where placing such a wager is illegal.

- The Nevada Gaming Commission may appoint an Off-Track Pari-Mutuel Wagering Committee consisting of 11 persons who are licensed to engage in off-track pari-mutuel wagering. If the Commission appoints such a Committee, it shall appoint to the Committee:
- (a) Five members from a list of nominees provided by the State Association of Gaming Establishments whose members collectively paid the most gross revenue fees to the State pursuant to NRS 463.370 in the preceding year;

 (b) Three members who, in the preceding year, paid gross revenue fees pursuant to NRS 463.370 in an amount that was less than the
- average amount of gross revenue fees paid by licensees engaged in off-track pari-mutuel wagering in the preceding year; and

(c) Three other members.

- Ê If a vacancy occurs in a position on the Committee for any reason, including, but not limited to, termination of a member, the Commission shall appoint a successor member who satisfies the same criteria in paragraph (a), (b) or (c) that applied to the member whose position has been vacated.
- 6. If the Nevada Gaming Commission appoints an Off-Track Pari-Mutuel Wagering Committee pursuant to subsection 5, the Commission shall:
- (a) Grant to the Off-Track Pari-Mutuel Wagering Committee the exclusive right to negotiate an agreement relating to off-track parimutuel wagering with:

(1) A person who is licensed or otherwise permitted to operate a wagering pool in another state; and

(2) A person who is licensed pursuant to this chapter as an operator of a system.

- (b) Require that any agreement negotiated by the Off-Track Pari-Mutuel Wagering Committee with a track relating to off-track parimutuel wagering must not set a different rate for intrastate wagers placed on the licensed premises of a race book and wagers placed through the use of communications technology.
- (c) Require the Off-Track Pari-Mutuel Wagering Committee to grant to each person licensed pursuant to this chapter to operate an offtrack pari-mutuel race pool the right to receive, on a fair and equitable basis, all services concerning wagering in such a race pool that the Committee has negotiated to bring into or provide within this State.
- The Nevada Gaming Commission shall, and it is granted the power to, demand access to and inspect all books and records of any person licensed pursuant to this chapter pertaining to and affecting the subject of the license.

[2:231:1949; 1943 NCL § 6226.02] + [Part 7:231:1949; A 1951, 538; 1953, 701] — (NRS A 1959, 455; 1965, 521; 1973, 463; 1981, 1947; 1983, 1892; 1991, 2148; 1995, 1501; 1997, 3317; 2003, 3408; 2005, 722; 2009, 2430)

NRS 464.025 Regulations governing off-track pari-mutuel wagering; sharing of revenue; approval of Commission.

1. The Nevada Gaming Commission, upon the recommendation of the Nevada Gaming Control Board, may adopt regulations for:

(a) The conduct by a licensee of off-track pari-mutuel wagering on a race or sporting event; and

- (b) The approval of the terms and conditions of any agreement between a licensee and an agency of the state in which the race or sporting event takes place or a person licensed or approved by that state to participate in the conduct of the race or sporting event or the pari-mutuel system of wagering thereon.
- 2. A person or governmental agency must not receive any commission or otherwise share in the revenue from the conduct of off-track pari-mutuel wagering in this state without the approval of the Nevada Gaming Commission. The Commission may approve any person or governmental agency after such investigation as the Nevada Gaming Control Board deems proper.

(Added to NRS by <u>1983, 1891</u>; A <u>1991, 1080</u>; <u>1993, 2049</u>)

NRS 464.040 Limitations on amount and division of commissions; payment and disposition of taxes.

- 1. The total commission deducted from pari-mutuel wagering other than off-track pari-mutuel wagering by any licensee licensed pursuant to the provisions of this chapter must not exceed 18 percent of the gross amount of money handled in each pari-mutuel pool operated by the licensee during the period of the license.
- The total commission deducted from off-track pari-mutuel wagering must be determined by the Nevada Gaming Commission and may be divided between the persons licensed or approved to participate in the conduct of the race or event or the pari-mutuel system of wagering thereon. Such licensure or approval must be obtained pursuant to this chapter or chapter 463 of NRS and pursuant to regulations which may be adopted by the Nevada Gaming Commission.

 3. Except as otherwise provided in NRS 464.045 for off-track pari-mutuel wagering, each licensee shall pay to the Nevada Gaming
- Commission quarterly on or before the last day of the first month of the following quarter of operation for the use of the State of Nevada a tax at the rate of 3 percent on the total amount of money wagered on any race or sporting event.

 The licensee may deduct odd cents less than 10 cents per dollar in paying bets.
 Except as otherwise provided in NRS 464.045 for off-track pari-mutuel wagering, the amount paid to the Nevada Gaming Commission must be, after deducting costs of administration which must not exceed 5 percent of the amount collected, paid over by the

Nevada Gaming Commission to the State Treasurer for deposit in the State General Fund.

[Part 7:231:1949; A 1951, 538; 1953, 701] — (NRS A 1959, 456; 1960, 185; 1965, 522; 1967, 721; 1973, 464; 1979, 464; 1981, 1103; 1983, 1893; 1987, 635; 1989, 710; 1991, 938, 2148; 1993, 2050)

NRS 464.045 Calculation of monthly state license fee to include gross revenue from off-track pari-mutuel wagering; calculation of gross revenue.

- The provisions of subsections 3 and 5 of NRS 464.040 do not apply to persons licensed to conduct off-track pari-mutuel wagering.
- A licensed gaming establishment is subject to the monthly state license fees and provisions of NRS 463.370 on all gross revenue attributable to the operation of an off-track pari-mutuel system of wagering.

 3. In calculating the monthly state license fee imposed by NRS 463.370, a licensee shall not deduct from gross revenue any
- promotional allowances, including, without limitation, prizes, payments, premiums, drawings, discounts, rebates, bonus payouts, benefits or tickets that are redeemable for money or merchandise.

(Added to NRS by 1983, 1892; A 1987, 635; 1989, 710; 1991, 1080, 2149; 1997, 3509)

NRS 464.050 Place for conducting and public viewing of wagering. A licensee conducting any form of pari-mutuel wagering provided for in this chapter shall provide a place or places in the meeting grounds or enclosure or the licensed gaming establishment which has been approved to conduct off-track pari-mutuel wagering:

At which the licensee may conduct, operate and supervise the wagering

Where the progress of the betting and the odds paid may be open to public view. [4:231:1949; 1943 NCL § 6226.04] — (NRS A 1965, 522; 1983, 1894)

NRS 464.060 Wagering outside enclosure or licensed establishment prohibited. All other forms of wagering or betting on the results of any of the races or events licensed under this chapter outside the enclosure or establishment where the races, events or off-track pari-mutuel wagering are licensed by the Nevada Gaming Commission are illegal.

[5:231:1949; 1943 NCL § 6226.05] — (NRS A 1959, 457; <u>1983, 1894</u>)

NRS 464.070 Limitation on wager by agent; off-track wagering by agent prohibited. A pari-mutuel wager placed at the enclosure where the wagered race or event is conducted may be made by an agent if the principal is present on the premises. All off-track pari-mutuel wagering must be done by a principal.

[6:231:1949; 1943 NCL § 6226.06] — (NRS A <u>1983, 1894</u>)

NRS 464.075 Altering value of wager for patron prohibited; regulations; exemptions.

1. Except as otherwise provided in subsection 4, a person who is licensed to engage in off-track pari-mutuel wagering shall not:

(a) Accept from a patron less than the full face value of an off-track pari-mutuel wager;

(b) Agree to refund or rebate to a patron any portion or percentage of the full face value of an off-track pari-mutuel wager, or

(c) Increase the payoff of, or pay a bonus on, a winning off-track pari-mutuel wager.

- A person who is licensed to engage in off-track pari-mutuel wagering and who:(a) Attempts to evade the provisions of subsection 1 by offering to a patron a wager that is not posted and offered to all patrons; or

(b) Otherwise violates the provisions of subsection 1,

Ê is subject to the investigatory and disciplinary proceedings that are set forth in NRS 463.310 to 463.318, inclusive, and shall be punished as provided in those sections.

The Nevada Gaming Commission shall adopt regulations to carry out the provisions of subsections 1 and 2 of this section.

The Nevada Gaming Commission may, by regulation, exempt certain bets, refunds, rebates, payoffs or bonuses from the provisions of subsection 1 if the Commission determines that such exemptions are in the best interests of the State of Nevada and licensed gaming in this state. Any bets, refunds, rebates, payoffs or bonuses that would result in the amount of such bets, refunds, rebates, payoffs or bonuses being directly or indirectly deductible from gross revenue may not be exempt.

(Added to NRS by 1997, 3316; A 2003, 3409)

NRS 464.080 Suspension or revocation of license: Hearing; judicial review.

1. All licenses granted under this chapter are subject to suspension or revocation by the Nevada Gaming Commission in any case where the Nevada Gaming Commission has reason to believe that any condition of its license has not been complied with or that any law or regulation of the Nevada Gaming Commission has been broken or violated.

No license may be revoked or suspended until after a hearing had by the Nevada Gaming Commission. Such a hearing must be initiated by the filing of a complaint by the Nevada Gaming Control Board and must be conducted in accordance with the provisions of

NRS 463.312 to 463.3145, inclusive.

3. The action of the Nevada Gaming Commission in revoking or suspending a license issued under this chapter is subject to court review in accordance with the provisions of NRS 463.315 to 463.318, inclusive.

[8:231:1949; 1943 NCL § 6226.08] — (NRS A 1959, 457; 1983, 1568)

NRS 464.100 Penalty. Except as otherwise provided in NRS 464.075, a violation of any of the provisions of this chapter or the regulations adopted pursuant to this chapter is a misdemeanor.

[9:231:1949; 1943 NCL § 6226.09] — (NRS A <u>1967, 587; 1997, 3</u>318)