

SENATE BILL NO. 450—COMMITTEE ON JUDICIARY

MARCH 23, 2015

Referred to Committee on Judiciary

SUMMARY—Establishes the Sports Pool Telecast Access Committee. (BDR 41-1139)

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 create the Sports Pool Telecast Access Committee; establishing provisions relating to the appointment of members to the Committee; establishing provisions relating to the rights and duties of the Committee; authorizing the Commission to adopt regulations relating to the Committee; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law establishes various provisions relating to the licensing and control
2 of gaming in this State. (Chapter 463 of NRS) **Section 7** of this bill requires the
3 Nevada Gaming Commission to create the Sports Pool Telecast Access Committee.
4 **Section 7** sets forth provisions concerning the number and qualifications of
5 members required to be appointed to the Committee by the Commission, the terms
6 of those members and the procedure by which a vacancy of the Committee is filled.
7 **Section 8** of this bill requires the Commission to grant to the Committee, under
8 certain circumstances, the exclusive right to negotiate an agreement for rates with
9 the holder of an exclusive broadcast right to telecast a package of sporting events
10 for which a sports pool in this State will accept wagers. Such an agreement: (1) is
11 negotiated by the Committee on behalf of every sports pool licensed to operate in
12 this State; (2) supersedes, under certain circumstances, any other agreement for the
13 telecast of a package of sporting events entered into between the holder of the
14 exclusive broadcast right and a sports pool; and (3) must be approved by the State
15 Gaming Control Board. **Section 8** also authorizes the Commission to adopt
16 regulations as it deems necessary to carry out these provisions.



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

1 **Section 1.** Chapter 463 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 8, inclusive, of this
3 act.

4 **Sec. 2.** *As used in sections 2 to 8, inclusive, of this act, unless*
5 *the context otherwise requires, the words and terms defined in*
6 *sections 3 to 6, inclusive, of this act have the meanings ascribed to*
7 *them in those sections.*

8 **Sec. 3.** *“Cable operator” means a person or group of persons*
9 *who:*

10 1. *Provide cable service over a cable system and, directly or*
11 *through one or more affiliates, owns a significant interest in the*
12 *cable system; or*

13 2. *Otherwise controls or is responsible for, through any*
14 *arrangement, the management and operation of a cable system.*

15 **Sec. 4.** *“Exclusive broadcast right” means the right, held by*
16 *a single cable operator or provider of direct broadcast satellite*
17 *service, to exclusively sell to commercial establishments in this*
18 *State, as a package, licenses to receive broadcasts of sporting*
19 *events conducted by a professional sports league and which is not*
20 *otherwise available on an over-the-air network or channel*
21 *included with a cable or satellite television subscription, including,*
22 *without limitation, sporting events conducted by the National*
23 *Football League, the National Basketball Association, the*
24 *National Hockey League or Major League Baseball.*

25 **Sec. 5.** *“Provider of direct broadcast satellite service” has the*
26 *meaning ascribed to it in 47 U.S.C. § 335(b)(5)(A).*

27 **Sec. 6.** *“Telecast Access Committee” or “Committee” means*
28 *the Sports Pool Telecast Access Committee created pursuant to*
29 *section 7 of this act.*

30 **Sec. 7.** 1. *The Commission shall create the Sports Pool*
31 *Telecast Access Committee. The Committee must consist of 11*
32 *members, each of whom must:*

33 (a) *Hold a nonrestricted gaming license; and*

34 (b) *Be licensed to operate a sports pool in this State.*

35 2. *The Commission shall appoint to the Committee:*

36 (a) *Five members from a list of nominees provided by the State*
37 *Association of Gaming Establishments whose members*
38 *collectively paid from the operation of a sports pool the most gross*
39 *revenue fees to the State pursuant to NRS 463.370 in the*
40 *immediately preceding fiscal year, as determined by records*
41 *maintained by the Board;*



1 (b) Three members who paid from the operation of a sports
2 pool an amount of gross revenue fees to the State pursuant to NRS
3 463.380 in the immediately preceding fiscal year that was less than
4 the average amount of gross revenue fees paid by all persons
5 licensed to operate a sports pool, as determined by records
6 maintained by the Board; and

7 (c) Three members who paid from the operation of a sports
8 pool any amount of gross revenue fees to the State pursuant to
9 NRS 463.370 in the immediately preceding fiscal year, as
10 determined by records maintained by the Board.

11 3. Each appointed member of the Committee serves for five
12 successive terms of 1 year each. The initial term of a member
13 begins from the date of the meeting during which the Commission
14 made the appointment. Each of the successive terms renews
15 automatically unless a member of the Commission requests that
16 the matter be placed on the agenda for a meeting of the
17 Commission for formal consideration, including, without
18 limitation, the removal of the Committee member.

19 4. A vacancy on the Committee which occurs for any reason,
20 including, without limitation, the removal of a member pursuant
21 to subsection 3, must be filled for the remainder of the unexpired
22 term in the same manner as the original appointment.

23 **Sec. 8. 1. The Commission shall:**

24 (a) Grant to the Telecast Access Committee, whenever there
25 exists an exclusive broadcast right, the exclusive right to negotiate
26 with the cable operator or provider of direct broadcast satellite
27 service an agreement for the telecast of a package of sporting
28 events for which a sports pool in this State will accept wagers; and

29 (b) Require that any agreement negotiated pursuant to
30 paragraph (a):

31 (1) Provide for sports pools such fair and equitable rates as
32 may be based upon reasonable and objective criteria; and

33 (2) Provide that the cable operator or provider of direct
34 broadcast satellite service must offer to every person licensed to
35 operate a sports pool pursuant to this chapter the same negotiated
36 rates set forth in the agreement.

37 2. The Telecast Access Committee shall determine whether
38 the telecast of a package of sporting events for which a sports pool
39 will accept wagers is subject to the provisions of this section. Upon
40 identifying such a package, the Committee shall notify the holder
41 of the exclusive broadcast right and every sports pool licensed to
42 operate in this State of the Committee's decision to exercise its
43 exclusive right to negotiate an agreement with the applicable cable
44 operator or provider of direct broadcast satellite service on behalf
45 of sports pools pursuant to this section.



1 3. *Any contract or amendment to a contract entered into*
2 *between a holder of an exclusive broadcast right and a sports pool*
3 *for a package of sporting events after the Committee has provided*
4 *notice to either party pursuant to subsection 2 is void. Upon*
5 *approval by the Board or its designee, an agreement entered into*
6 *between the Committee and the holder of the exclusive broadcast*
7 *right supersedes any contract entered into between the holder of*
8 *the exclusive broadcast right and a sports pool for a package of*
9 *sporting events.*

10 4. *Any agreement negotiated by the Committee pursuant to*
11 *this section must be approved by the Board or its designee. In*
12 *reviewing any such agreement, the Board shall ensure that the*
13 *agreement is fair and equitable with respect to sports pools of*
14 *varying sizes and does not create a barrier to competition among*
15 *sports pools in this State.*

16 5. *This section does not apply to:*

17 (a) *A telecast for off-track pari-mutuel wagering.*

18 (b) *A closed circuit pay-per-view telecast of an individual*
19 *event.*

20 (c) *A package of sporting events that the Committee*
21 *determines it has not identified sufficiently in advance of the*
22 *scheduled telecast to allow for the negotiation of an agreement*
23 *with the holder of the exclusive broadcast right pursuant to this*
24 *section.*

25 (d) *A package of sporting events that the Committee*
26 *determines does not warrant the exercise of the Committee's rights*
27 *under this section.*

28 6. *The Commission may adopt such regulations as it deems*
29 *necessary to carry out the provisions of this section.*

30 **Sec. 9.** 1. As soon as practicable after the effective date of
31 this act, the Nevada Gaming Commission shall appoint to the Sports
32 Pool Telecast Access Committee the members required by section 7
33 of this act.

34 2. The Sports Pool Telecast Access Committee may exercise
35 its authority pursuant to this act upon the effective date of this act
36 regardless of whether the Nevada Gaming Commission has adopted
37 regulations pursuant to section 8 of this act.

38 **Sec. 10.** This act becomes effective upon passage and
39 approval.

