SENATE BILL NO. 349–SENATOR RAWSON

MARCH 17, 2003

Referred to Committee on Finance

- SUMMARY—Provides for certification of gambling counselors and course of study and funding of programs for treatment and prevention of problem gambling. (BDR 54-155)
- FISCAL NOTE: Effect on Local Government: Yes. Effect on the State: Contains Appropriation not included in Executive Budget.

EXPLANATION - Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to problem gambling; creating the Board to Certify Counselors on Problem Gambling; establishing the powers and duties of the Board; requiring persons who provide gambling counseling to be certified by the Board; creating the Fund to Support Programs for the Prevention and Treatment of Problem Gambling; requiring a course of study for pupils; making an appropriation; providing a penalty; and providing other matters properly relating thereto.

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

Section 1. Title 54 of NRS is hereby amended by adding 1 thereto a new chapter to consist of the provisions set forth as 2 sections 2 to 21, inclusive, of this act. 3

Sec. 2. The practice of gambling counseling is hereby 4 declared to be a learned profession, affecting public health, safety 5 and welfare and is subject to regulation to protect the public from 6 the practice of gambling counseling by unqualified persons and 7 8 from unprofessional conduct by persons who are certified to

engage in the practice of gambling counseling.



Sec. 3. As used in this chapter, unless the context otherwise 1 2 requires, the words and terms defined in sections 4 to 8, inclusive, of this act have the meanings ascribed to them in those sections. 3

Sec. 4. "Board" means the Board to Certify Gambling 4 5 Counselors.

"Certificate" means a certificate issued to a person Sec. 5. 6 7 who is a certified gambling counselor.

8 Sec. 6. "Certified gambling counselor" means a person who 9 is certified as a gambling counselor pursuant to the provisions of 10 this chapter.

Sec. 7. "Practice of gambling counseling" means the 11 application of counseling to reduce or eliminate problem 12 13 gambling.

14 Sec. 8. "Problem gambling" means persistent and recurrent 15 maladaptive behavior relating to gambling which causes disruptions in any major area of life, including, but not limited to, 16 psychological, physical, social or vocational. 17

Sec. 9. 1. The Board to Certify Gambling Counselors, 18 19 consisting of five members appointed by the Governor, is hereby 20 created.

2. The Governor shall appoint to the Board:

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22 (a) Two members who are certified gambling counselors and licensed pursuant to the provisions of chapter 630, 641, 641A, 23 24 641B or 641C of NRS;

25 (b) Two members who are certified gambling counselors and 26 are certified pursuant to the provisions of chapter 641C of NRS; 27 and 28

(c) One member who is a representative of the general public.

29 Sec. 10. 1. After the initial terms, the members of the 30 Board must be appointed to terms of 4 years and may not serve 31 more than two consecutive terms.

2. Upon the expiration of his term, a member continues to 32 serve on the Board until a qualified person has been appointed as 33 his successor. 34

35 3. The Governor may, after notice and hearing, remove any 36 member of the Board for misconduct, incompetence, neglect of 37 duty or any other sufficient cause.

38 4. The Board shall elect annually from its members a 39 President, Vice President and Secretary-Treasurer.

40 5. A majority of the members of the Board constitutes a 41 quorum to transact the business of the Board.

42 Sec. 11. 1. All reasonable expenses incurred by the Board

43 in carrying out the provisions of this chapter must be paid from

44 the fees which it receives, and no part of the salaries or expenses

of the Board may be paid out of the State General Fund. 45



1 2. The Board may apply for, accept and expend grants, gifts, 2 donations, bequests or devises for the purpose of carrying out the duties of the Board. 3

3. All money received by the Board must be deposited in a 4 5 bank, credit union or savings and loan association in this state and must be paid out on its order for its expenses. 6

Sec. 12. 1. Each member of the Board is entitled to receive: 7 8 (a) A salary of not more than \$80 per day, as fixed by the 9 Board, while engaged in the business of the Board; and

10 (b) A per diem allowance and travel expenses, at a rate fixed by the Board, while engaged in the business of the Board. The rate 11 must not exceed the rate provided for officers and employees of 12 13 this state generally.

14 2. While engaged in the business of the Board, each employee 15 of the Board is entitled to receive a per diem allowance and travel expenses at a rate fixed by the Board. The rate must not exceed the 16 17 rate provided for officers and employees of this state generally.

Sec. 13. The Board shall adopt such regulations as it deems 18 19 necessary to carry out the provisions of this chapter, including, 20 without limitation, regulations establishing: 21

1. Standards for the certification of gambling counselors;

22 2. A procedure for the submission and processing of applications, the examination of applicants, and the issuance, 23 24 renewal, suspension, revocation and reinstatement of a certificate; 3. Fees for the examination of applicants and for the 25

26 issuance, renewal and reinstatement of a certificate;

4. A Code of Ethics regulating the professional conduct of 27 28 certified gambling counselors; and 29

5. The grounds for disciplinary action by the Board.

30 Sec. 14. The Board may employ or contract with attorneys, 31 investigators, consultants who are experts in the field of problem gambling and other persons necessary to carry out the duties of 32 33 the Board.

34 Sec. 15. A certificate issued pursuant to the provisions of this 35 chapter is a privilege that may be revoked in accordance with the disciplinary procedures set forth in this chapter and in regulations 36 adopted by the Board pursuant thereto, and no holder of such a 37 38 certificate acquires thereby any vested right.

39 Sec. 16. The regulations of the Board adopted pursuant to 40 section 13 of this act must require an application for a certificate 41 to include the social security number of the applicant.

42 Sec. 17. 1. An applicant for the issuance, renewal, 43 reinstatement or restoration of a certificate shall submit to the 44 Board the statement prescribed by the Welfare Division of the



1 Department of Human Resources pursuant to NRS 425.520. The 2 statement must be completed and signed by the applicant.

3 2. The Board shall include the statement required pursuant to 4 subsection 1 in:

5 (a) The application or any other forms that must be submitted 6 for the issuance, renewal or reinstatement of the certificate; or

(b) A separate form prescribed by the Board.

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8 3. A certificate may not be issued, renewed or reinstated by 9 the Board if the applicant:

10 (a) Fails to submit the statement required pursuant to 11 subsection 1; or

12 (b) Indicates on the statement submitted pursuant to 13 subsection 1 that he is subject to a court order for the support of a 14 child and is not in compliance with the order or a plan approved 15 by the district attorney or other public agency enforcing the order 16 for the repayment of the amount owed pursuant to the order.

17 4. If an applicant indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the 18 19 support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency 20 21 enforcing the order for the repayment of the amount owed pursuant to the order, the Board shall advise the applicant to 22 23 notify the district attorney or other public agency enforcing the 24 order to determine the actions that the applicant may take to 25 satisfy the arrearage.

26 Sec. 18. 1. If the Board receives a copy of a court order 27 issued pursuant to NRS 425.540 that provides for the suspension 28 of all professional, occupational and recreational licenses, 29 certificates and permits issued to a person, the Board shall deem 30 the certificate to be suspended at the end of the 30th day after the 31 date on which the court order was issued unless the Board receives a letter issued to the person by the district attorney or 32 other public agency pursuant to NRS 425.550 stating that the 33 person has complied with the subpoena or warrant or has satisfied 34 35 the arrearage pursuant to NRS 425.560.

2. The Board shall reinstate a certificate that has been suspended by a district court pursuant to NRS 425.540 if the Board receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person stating that the person has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

42 Sec. 19. A person shall not engage in the practice of 43 gambling counseling unless he is a certified gambling counselor.



Sec. 20. 1. A person shall not: 1 2 (a) Hold himself out to the member of the general public as a certified gambling counselor; 3 (b) Use the title "Certified Gambling Counselor," or any 4 5 similar title in connection with his work; or (c) Imply in any way that he is certified by the Board, 6 unless he is certified by the Board pursuant to the provisions of 7 8 this chapter. 9 2. If the Board believes that any person has violated or is about to violate the provisions of subsection 1, the Board may 10 bring an action in a court of competent jurisdiction to enjoin that 11 person from engaging in or continuing the violation. An 12 13 injunction: 14 (a) May be issued without proof of actual damage sustained by 15 any person. 16 (b) Does not prevent the criminal prosecution and punishment of a person who violates the provisions of subsection 1. 17 Sec. 21. A person who violates any of the provisions of this 18 19 chapter is guilty of a misdemeanor. 20 **Sec. 22.** NRS 622.010 is hereby amended to read as follows: 622.010 As used in this chapter, unless the context otherwise 21 requires, "occupational licensing board" includes, without 22 23 limitation: 1. The State Board of Architecture, Interior Design and 24 25 Residential Design. 26 The State Board of Landscape Architecture. 2. 27 3. The State Contractors' Board. 28 4. The State Board of Professional Engineers and Land 29 Surveyors. 30 5. The Board of Registered Environmental Health Specialists. 31 6. The Nevada State Board of Accountancy. 32 7. The Board of Medical Examiners. The Board of Homeopathic Medical Examiners. 33 8. 34 9. The Board of Dental Examiners of Nevada. 10. The State Board of Nursing. 35 The State Board of Osteopathic Medicine. 36 11. The Chiropractic Physicians' Board of Nevada. 37 12. 38 13. The State Board of Oriental Medicine. The State Board of Podiatry. 39 14. 40 15. The Nevada State Board of Optometry. 41 16. The Board of Dispensing Opticians. 42 17. The Board of Hearing Aid Specialists. The Board of Examiners for Audiology and Speech 43 18. 44 Pathology. The Nevada State Board of Veterinary Medical Examiners. 45 19.

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1 20. The State Board of Pharmacy. 2

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21. The State Board of Physical Therapy Examiners.

The Board of Occupational Therapy. 22.

23. The Board of Psychological Examiners.

The Board of Examiners for Marriage and Family 5 24. 6 Therapists. 7

25. The Board of Examiners for Social Workers.

8 26. The Board of Examiners for Alcohol and Drug Abuse 9 Counselors.

10 The Board to Certify Gambling Counselors. 27.

28. The State Board of Funeral Directors, Embalmers and 11 Operators of Cemeteries and Crematories. 12

[28.] 29. The State Barbers' Health and Sanitation Board.

[29.] 30. The State Board of Cosmetology.

[30.] 31. 15 The Real Estate Division of the Department of Business and Industry. 16

[31.] 32. The Commissioner of Financial Institutions.

[32.] 33. The Private Investigator's Licensing Board. 18

19 [33.] 34. The Health Division of the Department of Human 20 Resources.

21 [34.] 35. The Nevada State Board of Examiners for 22 Administrators of Facilities for Long-Term Care.

The Certified Court Reporters' Board of Nevada. [35.] **36**.

Sec. 23. NRS 218.825 is hereby amended to read as follows:

25 218.825 1. Each of the boards and commissions created by the provisions of chapters 623 to 625A, inclusive, 628 to 644, 26 27 inclusive, and 641C, 654 and 656 of NRS and sections 2 to 21, 28 *inclusive, of this act* shall engage the services of a certified public 29 accountant or public accountant, or firm of either of such 30 accountants, to audit all its fiscal records once each year for the 31 preceding fiscal year or once every other year for the 2 preceding fiscal years. The cost of the audit must be paid by the board or 32 33 commission audited.

34 2. A report of each such audit must be filed by the board or 35 commission with the Legislative Auditor and the [Director of the **Budget]** Chief of the Budget Division of the Department of 36 Administration on or before December 1 of each year in which an 37 audit is conducted. All audits must be conducted in accordance with 38 generally accepted auditing standards, and all financial statements 39 40 must be prepared in accordance with generally accepted principles 41 of accounting for special revenue funds.

42 3. The Legislative Auditor shall audit the fiscal records of any 43 such board or commission whenever directed to do so by the 44 Legislative Commission. When the Legislative Commission directs



1 such an audit, it shall also determine who is to pay the cost of the 2 audit.

Sec. 24. NRS 284.013 is hereby amended to read as follows:

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4 284.013 1. Except as otherwise provided in subsection 4, this 5 chapter does not apply to:

6 (a) Agencies, bureaus, commissions, officers or personnel in the
7 Legislative Department or the Judicial Department of State
8 Government, including the Commission on Judicial Discipline;

9 (b) Any person who is employed by a board, commission, 10 committee or council created in chapters 590, 623 to 625A, 11 inclusive, 628, 630 to 644, inclusive, 648, 652, 654 and 656 of NRS 12 and sections 2 to 21, inclusive, of this act; or

(c) Officers or employees of any agency of the Executive
 Department of the State Government who are exempted by specific
 statute.

16 2. Except as otherwise provided in subsection 3, the terms and 17 conditions of employment of all persons referred to in subsection 1, 18 including salaries not prescribed by law and leaves of absence, 19 including, without limitation, annual leave and sick and disability 20 leave, must be fixed by the appointing or employing authority 21 within the limits of legislative appropriations or authorizations.

3. Except as otherwise provided in this subsection, leaves of absence prescribed pursuant to subsection 2 must not be of lesser duration than those provided for other state officers and employees pursuant to the provisions of this chapter. The provisions of this subsection do not govern the Legislative Commission with respect to the personnel of the Legislative Counsel Bureau.

4. Any board, commission, committee or council created in chapters 590, 623 to 625A, inclusive, 628, 630 to 644, inclusive, 648, 652, 654 and 656 of NRS *and sections 2 to 21, inclusive, of this act* which contracts for the services of a person, shall require the contract for those services to be in writing. The contract must be approved by the State Board of Examiners before those services may be provided.

Sec. 25. NRS 353A.020 is hereby amended to read as follows: 36 353A.020 1. The Director, in consultation with the

36 353A.020 1. The Director, in consultation with the 37 Committee and Legislative Auditor, shall adopt a uniform system of 38 internal accounting and administrative control for agencies. The 39 elements of the system must include, without limitation:

40 (a) A plan of organization which provides for a segregation of 41 duties appropriate to safeguard the assets of the agency;

42 (b) A plan which limits access to assets of the agency to persons43 who need the assets to perform their assigned duties;



1 (c) Procedures for authorizations and recordkeeping which 2 effectively control accounting of assets, liabilities, revenues and 3 expenses;

4 (d) A system of practices to be followed in the performance of 5 the duties and functions of each agency; and

(e) An effective system of internal review.

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7 2. The Director, in consultation with the Committee and 8 Legislative Auditor, may modify the system whenever he considers 9 it necessary.

10 3. Each agency shall develop written procedures to carry out 11 the system of internal accounting and administrative control adopted 12 pursuant to this section.

4. For the purposes of this section, "agency" does not include:

(a) A board created by the provisions of chapters 623 to 625A,
inclusive, 628, 630 to 640A, inclusive, 641 to 644, inclusive, 654
and 656 of NRS *and sections 2 to 21, inclusive, of this act.*

(b) The University and Community College System of Nevada.

(c) The Public Employees' Retirement System.

19 (d) The Housing Division of the Department of Business and 20 Industry.

21 (e) The Colorado River Commission of Nevada.

22 Sec. 26. NRS 353A.025 is hereby amended to read as follows:

353A.025 1. The head of each agency shall periodically
review the agency's system of internal accounting and
administrative control to determine whether it is in compliance with
the uniform system of internal accounting and administrative control
for agencies adopted pursuant to subsection 1 of NRS 353A.020.

28 2. On or before July 1 of each even-numbered year, the head of 29 each agency shall report to the Director whether the agency's 30 system of internal accounting and administrative control is in 31 compliance with the uniform system adopted pursuant to subsection 32 1 of NRS 353A.020. The reports must be made available for 33 inspection by the members of the Legislature.

3. For the purposes of this section, "agency" does not include:

(a) A board created by the provisions of chapters 623 to 625A,
inclusive, 628, 630 to 640A, inclusive, 641 to 644, inclusive, 654
and 656 of NRS *and sections 2 to 21, inclusive, of this act.*

(b) The University and Community College System of Nevada.

(c) The Public Employees' Retirement System.

40 (d) The Housing Division of the Department of Business and 41 Industry.

42 (e) The Colorado River Commission of Nevada.

43 4. The Director shall, on or before the first Monday in
44 February of each odd-numbered year, submit a report on the status
45 of internal accounting and administrative controls in agencies to the:



1 (a) Director of the Legislative Counsel Bureau for transmittal to 2 the:

(1) Senate Standing Committee on Finance; and

(2) Assembly Standing Committee on Ways and Means;

(b) Governor; and

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(c) Legislative Auditor.

7 5. The report submitted by the Director pursuant to subsection8 4 must include, without limitation:

9 (a) The identification of each agency that has not complied with 10 the requirements of subsections 1 and 2;

(b) The identification of each agency that does not have an
effective method for reviewing its system of internal accounting and
administrative control; and

14 (c) The identification of each agency that has weaknesses in its 15 system of internal accounting and administrative control, and the 16 extent and types of such weaknesses.

Sec. 27. NRS 353A.045 is hereby amended to read as follows:
353A.045 The Chief shall:

19 1. Report to the Director.

20 2. Develop long-term and annual work plans to be based on the 21 results of periodic documented risk assessments. The annual work 22 plan must list the agencies to which the Division will provide 23 training and assistance and be submitted to the Director for 24 approval. Such agencies must not include:

(a) A board created by the provisions of chapters 623 to 625A,
inclusive, 628, 630 to 640A, inclusive, 641 to 644, inclusive, 654
and 656 of NRS *and sections 2 to 21, inclusive, of this act.*

(b) The University and Community College System of Nevada.

(c) The Public Employees' Retirement System.

30 (d) The Housing Division of the Department of Business and 31 Industry.

(e) The Colorado River Commission of Nevada.

33 3. Provide a copy of the approved annual work plan to the 34 Legislative Auditor.

4. In consultation with the Director, prepare a plan for auditing executive branch agencies for each fiscal year and present the plan to the Committee for its review and approval. Each plan for auditing must:

(a) State the agencies which will be audited, the proposed scope
and assignment of those audits and the related resources which will
be used for those audits; and

(b) Ensure that the internal accounting, administrative controls
and financial management of each agency are reviewed periodically.
5. Perform the audits of the programs and activities of the

45 agencies in accordance with the plan approved pursuant to



subsection 5 of NRS 353A.038 and prepare audit reports of his 1 2 findings.

6. Review each agency that is audited pursuant to subsection 5 3 4 and advise those agencies concerning internal accounting, administrative controls and financial management. 5

7. Submit to each agency that is audited pursuant to subsection 6 7 5 analyses, appraisals and recommendations concerning:

8 (a) The adequacy of the internal accounting and administrative 9 controls of the agency; and

10 (b) The efficiency and effectiveness of the management of the agency. 11

8. Report any possible abuses, illegal actions, errors, omissions 12 13 and conflicts of interest of which the Division becomes aware 14 during the performance of an audit.

9. Adopt the standards of the Institute of Internal Auditors for 15 conducting and reporting on audits. 16

10. Consult with the Legislative Auditor concerning the plan 17 for auditing and the scope of audits to avoid duplication of effort 18 and undue disruption of the functions of agencies that are audited 19 20 pursuant to subsection 5.

11. Appoint a Manager of Internal Controls. 21 22

Sec. 28. NRS 389.0185 is hereby amended to read as follows: 389.0185 The State Board shall adopt regulations establishing 23 courses of study and the grade levels for which the courses of study 24 25 apply for:

1. The academic subjects set forth in NRS 389.018.

27 2. Citizenship and physical training for pupils enrolled in high 28 school. 29

3. Physiology, hygiene and cardiopulmonary resuscitation.

30 4. The prevention of suicide.

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Instruction relating to child abuse. 31 5.

The economics of the American system of free enterprise. 32 6.

7. American Sign Language. 33

34 8. Environmental education.

35 Adult roles and responsibilities. 9.

10. The prevention of problem gambling.

A course of study established for subsection 1 may include one or 37 38 more of the subjects listed in subsections 2 to [9,] 10, inclusive.

Sec. 29. Title 40 of NRS is hereby amended by adding thereto 39 40 a new chapter to consist of the provisions set forth as sections 30 to 41 39, inclusive, of this act.

42 Sec. 30. As used in this chapter, unless the context otherwise

43 requires, the words and terms defined in sections 31, 32 and 33 of

44 this act have the meanings ascribed to them in those sections.



Sec. 31. "Fund" means the Fund to Support Programs for 1 2 the Prevention and Treatment of Problem Gambling created by section 34 of this act. 3 Sec. 32. "Director" means the Director of the Department of 4 5 Human Resources. Sec. 33. "Problem gambling" means persistent and recurrent 6 7 maladaptive behavior relating to gambling which causes 8 disruptions in any major area of life, including, but not limited to, 9 psychological, physical, social or vocational. 10 Sec. 34. The Fund to Support Programs for the Prevention and Treatment of Problem Gambling is hereby created in the State 11 12 Treasury as a special revenue fund. Sec. 35. 1. The Director shall administer the Fund. 13 14 2. All money collected by the Director to prevent or treat 15 problem gambling must be deposited in the State Treasury for credit to the Fund. 16 3. The interest and income earned on the money in the Fund 17 must be credited to the Fund. 18 4. Any money in the Fund must remain in the Fund and does 19 20 not revert to the State General Fund at the end of any fiscal year. 21 Sec. 36. The Director may apply for and accept any money 22 for the prevention or treatment of problem gambling, including, 23 but not limited to, a grant, donation or bequest. Sec. 37. 1. The Director shall expend the money in the 24 25 Fund by providing grants of money to local, state or otherwise qualified organizations to prevent and treat problem gambling. 26 27 2. The Director shall adopt by regulation a definition of 28 "otherwise qualified organization." 29 Sec. 38. The Director shall adopt regulations to administer 30 the provisions of sections 30 to 37, inclusive, of this act, including, 31 but not limited to: 1. Establishing the procedure for a local, state or otherwise 32 33 qualified organization to apply for a grant from the Fund; and 34 2. Establishing the criteria for a grant to a local, state or 35 otherwise qualified organization. Sec. 39. All claims against the fund must be paid as other 36 37 claims against the state are paid. 38 **Sec. 40.** NRS 608.0116 is hereby amended to read as follows: 608.0116 "Professional" means pertaining to an employee who 39 40 is licensed or certified by the State of Nevada for and engaged in the 41 practice of law or any of the professions regulated by chapters 623 42 to 645, inclusive, and 656A of NRS and sections 2 to 21, inclusive, 43 of this act.



1 **Sec. 41.** There is hereby appropriated from the State General 2 Fund to the Fund to Support Programs for the Prevention and 3 Treatment of Problem Gambling created pursuant to section 34 of 4 this act the sum of \$250,000.

5 Sec. 42. 1. The initial appointments by the Governor to the 6 Board to Certify Gambling Counselors must be made without regard 7 to whether the appointee is a certified gambling counselor.

8 2. After the initial appointments pursuant to subsection 1, the 9 Governor shall only appoint to the Board to Certify Gambling 10 Counselors a person qualified to serve as a member pursuant to 11 section 10 of this act, including, without limitation, a person 12 appointed to a second term.

13 **Sec. 43.** As soon as practicable after July 1, 2003, the 14 Governor shall appoint the members of the Board to Certify 15 Gambling Counselors to staggered terms.

16 Sec. 44. 1. This section and sections 30 to 39, inclusive, and 17 41 of this act become effective upon passage and approval.

18 2. Sections 1 to 29, inclusive, 40, 42 and 43 of this act become 19 effective on July 1, 2003.

3. Sections 16, 17 and 18 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to
 a procedure to determine the paternity of a child or to establish or
 enforce an obligation for the support of a child; or

28 (b) Are in arrears in the payment for the support of one or more 29 children,

30 are repealed by the Congress of the United States.

