

June 8, 2015

## Business Entities Now Permitted to Wager at Nevada Race and Sports Books

A new Nevada law permits business entities to wager at Nevada race and sports books. Senate Bill 443 (SB443), which was signed into law by Gov. Brian Sandoval on June 2, 2015, provides the legal mechanism for investors and bettors, including those outside of Nevada, to invest in a business entity whose bets are placed by a professional bettor and share in the winnings. As a result, investors in the bettor entity can pool money to make larger bets, paving the way for dramatically increased race and sports wagering in Nevada.

Under prior Nevada law, only individuals were permitted to place bets at race and sports books in Nevada. However, the new law expressly authorizes business entities, which can be any entity organized and existing under Nevada law, including corporations, limited liability companies and limited partnerships, to place wagers in Nevada race and sports books.

In order to place wagers at a Nevada race and sports book, the business entity must, among other things: (1) provide to the race and sports book the business entity's organizational documents and certain personal information (including name, photo identification and a Social Security number or other tax identification number) for each of the business entity's equity owners, debtholders, directors, officers, managers, partners and anyone entitled to payments based on the profits or revenues of the entity, (2) establish a wagering account with the race and sports book, (3) maintain a bank account with a Nevada bank and (4) maintain all records received from the race and sports book in connection with wagers made. All investors in the entity must be at least 21 years of age.

The gaming and corporate lawyers in Brownstein Hyatt Farber Schreck's Las Vegas office understand Nevada's complex gaming regulatory framework and the distinct advantages of Nevada's business entity laws. In addition, Brownstein has a proven track record of helping clients navigate the maze of politics and policy in Nevada, across the West and in Washington, D.C., including legislation affecting gaming.

If you have any questions about forming or operating a business entity to wager at race and sports books in Nevada, or how this new law affects your business, please contact Albert Kovacs ([akovacs@bhfs.com](mailto:akovacs@bhfs.com)), Kirk Homeyer ([khomeyer@bhfs.com](mailto:khomeyer@bhfs.com)), Dennis Gutwald ([dgutwald@bhfs.com](mailto:dgutwald@bhfs.com)), Sonia Church Vermeys ([svermeys@bhfs.com](mailto:svermeys@bhfs.com)), Alisa Nave-Worth ([anave-worth@bhfs.com](mailto:anave-worth@bhfs.com)) or Josh Hicks ([jhicks@bhfs.com](mailto:jhicks@bhfs.com)) in the firm's Las Vegas office.

*This document is intended to provide you with general information regarding Nevada legislation concerning sports betting. The contents of this document are not intended to provide specific legal advice. If you have any questions about the contents of this document or if you need legal advice as to an issue, please contact the attorneys listed or your regular Brownstein Hyatt Farber Schreck, LLP attorney. This communication may be considered advertising in some jurisdictions.*

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