

July 20, 2015

VIA E-MAIL AND U.S. MAIL

Board Member Shawn Reid
State Gaming Control Board
1919 E. College Parkway
Carson City, NV 89706

Re: Account Wagering Remote Sign-Up

Dear Board Member Reid:

We are writing on behalf of American Wagering, Inc. and Brandywine Bookmaking LLC (collectively, “William Hill”) to provide comments with regard to the proposed amendments to allow for the creation of remote registration for wagering accounts. We have significant concerns and believe that such a step should be undertaken only with approval of the Nevada Legislature.

Historically, the creation of wagering accounts has required a patron to appear in person at the licensed establishment and show identification to a registered employee of the licensed book. Regulation 22.140 requires the employee of the book to examine the patron’s identification and record the patron’s name, address, telephone number, date of birth, gender, description of the type of identification examined and the identification number. *See* Regulation 22.140 (7)(b) and (c).

In 2012, William Hill entered into an arrangement allowing accounts to be opened at restricted gaming establishments through wagering kiosks. In that case, a patron still had to appear in person and show identification to a registered gaming employee and be monitored via video camera to ensure that the person opening the account and using the kiosk matched the identification of the person for whom the account was opened.

While the Board approved the creation of such accounts under the provisions of the existing regulations, many in the industry were concerned with this expansion of the ability to create wagering accounts outside the licensed establishment where the sports pool was physically located. These concerns resulted in a bill enacted by the 2013 Nevada Legislature¹ prohibiting creation of wagering accounts at restricted gaming establishments.

While the bill did not expressly prohibit remote creation of wagering accounts, allowing patrons to create their own accounts, remotely, is an even greater expansion of the ability to

¹ Senate Bill 416 of the 2013 Regular Session of the Nevada Legislature (“SB 416”).

create wagering accounts outside the premises of a licensed sports pool, which seems to contradict the policy created by the Nevada Legislature.

One of the primary arguments in favor of SB 416 focused on the investment that nonrestricted gaming establishments are required to make to obtain such a license, especially in the larger counties. Adopting the proposed amendments would essentially allow a book with a limited retail presence to operate a mobile-only sports pool from one small establishment in a rural county, thereby competing unfairly with those establishments that have been required to make substantial capital investments. Again, this would contravene the policy underlying SB 416.

Therefore, under these specific circumstances, we respectfully request that the Board reject the proposed changes to the Regulations absent legislative approval.

Sincerely,

/s/
Scott Scherer
of Holland & Hart LLP

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cc: Chairman A.G. Burnett (via e-mail)
Board Member Terry Johnson (via e-mail)
Executive Secretary (regcomments@gcb.nv.gov)