

## Proposed Regulations

### 2014-01RP: PETITION - REGULATIONS 1 and 14

**PURPOSE:** In response to a petition to amend the Nevada Gaming Commission (“NGC”) Regulations to allow for the use of a prepaid access instrument in conjunction with an approved wagering account; add definition of “debit instrument” to NGC Regulations; add definition of “prepaid access instrument” to NGC Regulations; amend NGC Regulations to permit the approval of the use of a prepaid access instrument in conjunction with an approved wagering account; amend NGC Regulations to permit the approval of the use and installation of associated equipment used in conjunction with a prepaid access instrument used in conjunction with a prepaid wagering account; and to take such additional action as may be necessary and proper to effectuate this stated purpose.

Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is to be omitted

(Draft dated January 15, 2014)

#### REGULATION 1

#### ISSUANCE OF REGULATIONS: CONSTRUCTION; DEFINITIONS

- 1.010 Promulgation, amendment, modification and repeal.
- 1.020 Construction.
- 1.030 Severability.
- 1.040 Definitions, words and terms; tense, number and gender.
- 1.050 “Act” defined.
- 1.055 “Automated teller machine” defined.
- 1.060 “Card game” defined.
- 1.062 “Cashable credits” defined.
- 1.065 “Casino” defined.
- 1.075 “Convenience store” defined.
- 1.080 “Counter game” defined.
- 1.085 “Counter games payout” defined.
- 1.090 “Counter games write” defined.
- 1.092 *“Debit instrument” defined.*
- 1.095 “Drop” defined.
- 1.100 “Drop box” defined.
- 1.101 “Drug store” defined.
- 1.103 “Electronic money transfer” defined.
- 1.105 “Enrollee” or “enrolled person” defined.
- 1.110 “Establishment” defined.
- 1.125 “Funds” defined.
- 1.130 “Grocery store” defined.
- 1.135 “Guaranteed draft” defined.
- 1.137 “Hosting center” defined.
- 1.139 “Independent accountant” defined.
- 1.140 “Jackpot payout” defined.
- 1.141 “Liquor store” defined.
- 1.143 “Payout receipt” defined.
- 1.145 “Premises” defined.
- 1.146 *“Prepaid access instrument” defined.*
- 1.147 “Progressive keno game” defined.
- 1.150 “Rake-off” defined.
- 1.155 “Registration” defined.
- 1.160 “Regulations” defined.

- 1.162 "Rim credit" defined.  
1.170 "Slot machine operator's license" defined.  
1.172 "System based game" and "system based gaming device" defined.  
1.174 "System supported game" and "system supported gaming device" defined.  
1.180 "Table game bankroll" defined.  
1.190 "Wagering voucher" defined.

**1.092 "Debit instrument" defined.**

*Debit Instrument means a card, code or other device with which a person may initiate an electronic funds transfer or a wagering account transfer. The term includes, without limitation, a Prepaid Access Instrument.*

**1.146 "Prepaid access instrument" defined.**

*Prepaid Access Instrument means a card, code, electronic serial number, mobile identification number, personal identification number or similar device that allows patron access to funds that have been paid in advance and can be retrieved or transferred at some point in the future through such a device. A Prepaid Access Instrument must be distributed by a licensed gaming operator or its affiliates and only Prepaid Access Instruments distributed by the licensee or its affiliates may be used to fund a wagering account at that licensee's location or the location of its affiliates. The Prepaid Access Instrument may only be used in conjunction with an approved wagering account and may not be funded by payroll direct deposit.*

REGULATION 14

**MANUFACTURERS, DISTRIBUTORS, OPERATORS OF  
INTER-CASINO LINKED SYSTEMS, GAMING DEVICES, NEW GAMES, INTER-  
CASINO LINKED SYSTEMS, ON-LINE SLOT METERING SYSTEMS, CASHLESS  
WAGERING SYSTEMS, MOBILE GAMING SYSTEMS, INTERACTIVE GAMING  
SYSTEMS AND ASSOCIATED EQUIPMENT; INDEPENDENT TESTING  
LABORATORIES**

**14.260 Approval of associated equipment; applications and procedures.**

1. Unless otherwise waived pursuant to subsection 2, a manufacturer or distributor of associated equipment shall not distribute associated equipment unless it has been approved by the chairman. Applications for approval of associated equipment shall be made and processed in such manner and using such forms as the chairman may prescribe. Each application must include, in addition to such other items or information as the chairman may require:

(a) The name, permanent address, social security number, and driver's license number of the manufacturer or distributor of associated equipment unless the manufacturer or distributor is currently licensed by the commission. If the manufacturer or distributor of associated equipment is a corporation, the names, permanent addresses, social security numbers, and driver's license numbers of the directors and Officer must be included. If the manufacturer or distributor of associated equipment is a partnership, the names, permanent addresses, social security numbers, and driver's license numbers of the partners and their partnership interest must be included. If social security numbers or driver's license numbers are not available, the manufacturer's or distributor's birth date may be substituted;

(b) A complete, comprehensive and technically accurate description and explanation in both technical and lay language of the associated equipment or a modification to previously approved associated equipment and its intended usage, signed under penalty of perjury;

(c) Detailed operating procedures for the associated equipment;

(d) The standards under which such tests were performed, including Technical Standards 2 and 3 if applicable, and the results of such testing that confirms the associated equipment is functioning as represented, signed under penalty of perjury; and

(e) All materials relating to the results of the registered independent testing laboratory's inspection and certification process that are required under section 14.400.

2. Except as provided in subsection 3, upon written request from the manufacturer or distributor of associated equipment, or as the chairman otherwise deems reasonable, he may, in his sole and absolute discretion, waive the approval requirement for associated equipment upon such terms and conditions that he may approve or require or refer the associated equipment to the full board and commission for consideration of approval.

3. *Except as otherwise provided in subsection 4,* ~~the~~ chairman shall not grant an approval pursuant to subsection 1 or waive such approval requirement pursuant to subsection 2 with respect to any associated equipment that, when installed, will allow a patron to use a debit instrument for purposes of making electronic funds transfers from an independent financial institution to a gaming device through a cashless wagering system until such time as the appropriate regulations for such transfers are adopted.

*4. The chairman may grant approvals pursuant to subsection 1 or waive such approval requirements pursuant to subsection 2 with respect to the use of a prepaid access instrument in conjunction with an approved wagering account.*

#### **14.290 Installation of associated equipment.**

1. *Except as otherwise provided in subsection 2, or regulation 14.260(4),* a ~~licensee~~ licensee shall not install or use associated equipment without prior written approval of the chairman or his designee, unless the chairman has waived the approval requirement pursuant to subsection 2 of Regulation 14.260. Applications for approval to install or use associated equipment shall be made and processed in such manner and using such forms as the chairman may prescribe. The chairman shall not approve any use or installation(s) of associated equipment that allow a patron to use a debit instrument for purposes of making electronic funds transfers from an independent financial institution to a gaming device through a cashless wagering system until such time as the appropriate regulations for such transfers are adopted.

*2. The chairman may grant approvals for the use of or installation of equipment used in conjunction with prepaid access instruments in conjunction with approved wagering accounts.*