

**PROPOSED AMENDMENTS TO REGULATIONS
22.010, 22.061, 22.080, 22.120, 22.121, 22.130, and 22.140**

PURPOSE: To update the name of the gaming control board; to define “payout;” to modify the information a licensee is required to obtain with regard to wagers and payouts over \$10,000; to delete provisions related to listed patrons; to specify a copy of identification may be presented to redeem a betting ticket by mail; to require information and documentation presented on the redemption of a betting ticket by mail be maintained for 5 years; to modify the logging requirements for wagering multiple transaction logs; to add clarity to a virtual event requirement; to update cross-references; to modify suspicious wager reporting to include suspicious transactions; to define suspicious transaction; to extend the time by which a book must report a suspicious transaction; to change the date by which a book or call center must obtain permission to use communications technology; to delete or modify wagering account marketing plans; to create provisions allowing remote verification of identification credentials; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

**REGULATION 22
RACE BOOKS AND SPORTS POOLS
(ADOPTED April 19, 2018)**

New

~~{Deleted}~~

22.010 Definitions. As used in this regulation:

1. No Change.
2. No Change.
3. No Change.
4. No Change.
5. No Change.
6. “Chairman” means the chairman of the ~~{state}~~ Nevada ~~{g}~~ Gaming ~~{e}~~ Control ~~{b}~~ Board or the chairman’s designee.
7. No Change.
8. No Change.
9. No Change.
10. No Change.
11. No Change.
12. No Change.
13. No Change.
14. No Change.
15. No Change.
16. “Payout” means the total payment due on a winning wager whether or not:
(a) The patron collects the total payment due at one time;

(b) All or a portion of the payment due is made in the form of cash, chips, or other form of payment; or

(c) All or a portion of the payment due is used by the patron to place another wager.

17. “Post time” means, unless an earlier time is required by regulation in the state where the race is run:

(a) For users of live broadcasts and for buyers of audible announcements of post time from disseminators of live broadcasts, the later of either the time when the disseminator transmits an audible announcement of the post time, or when the race is started by, as applicable, the opening of the gates and/or box, the starting gate car begins to close its arms, or such other method used by the track and administratively approved by the chairman.

(b) For races broadcast live on a national television network for which an agreement has been reached with a disseminator to provide an audible announcement of post time, that time when the disseminator relying upon information obtained independently of the television broadcast, transmits an audible announcement of post time which must be no later than when the race is started by, as applicable, the opening of the gates and/or box, the starting gate car begins to close its arms, or such other method used by the track and administratively approved by the chairman.

(c) For licensed race books that, pursuant to an agreement with a licensed systems operator, use a computerized bookmaking system that allows the systems operator to close wagering via electronic remote access, that time when the race is started by, as applicable, the opening of the gates and/or box, the starting gate car begins to close its arms, or such other method used by the track and administratively approved by the chairman, as determined by the systems operator through information the systems operator independently receives from a disseminator.

(d) Except as provided in paragraphs (a), (b) and (c) of this subsection 16, not later than 2 minutes before the scheduled post time as announced by the disseminator.

~~[17]~~18. “Race book” means a business that accepts wagers on horse or other animal races.

~~[18]~~19. “Satellite book” means a book that has been licensed pursuant to the provisions of NRS 463.245(3).

~~[19]~~20. “Secure personal identification” means a secure personal identification as that term is defined in Regulation 5.225.

~~[20]~~21. “Sports pool” means a business that accepts wagers on sporting events or other events, other than horse or other animal races. The term includes, but is not limited to, a business that accepts sports parlay card wagers as defined in Regulation 22.090. The term “other events” includes, but is not limited to, virtual events which are not prohibited by Regulation 22.120.

~~[21]~~22. “Wagering account” means a wagering account as that term is defined in Regulation 5.225.

~~[22]~~23. “Wagering communication” means the transmission of a wager between a point of origin and a point of reception by aid of a communications technology.

~~[23]~~24. “Wagering instructions” means the instructions given to an operator of a call center by a patron who maintains a wagering account at a book to effect a wagering communication to the book.

22.061 Wagers and payouts in excess of \$10,000.

1. Prior to accepting any nonpari-mutuel wager in excess of \$10,000 or making a payout in excess of \$10,000 on a nonpari-mutuel winning wager the book shall:

- (a) Obtain the patron's name;
- (b) Obtain ~~{or reasonably attempt to obtain}~~ the patron's permanent address; ~~{and}~~
- (c) Obtain the patron's social security number or passport number;
- (d) Obtain one of the following identification credentials from the patron;
 - (1) Driver's license;
 - (2) Passport;
 - (3) Non-resident alien identification card;
 - (4) Other reliable government issued d identification credentials; or
 - (5) Other picture identification credential normally acceptable as a means of

identification when cashing checks; and

~~{e}~~ Examine the identification credential obtained to verify the patron's name ~~{,}~~ and ~~{to the extent possible, to verify}~~ the accuracy of the information obtained pursuant to paragraphs (b) and (c).

2. Prior to accepting a nonpari-mutuel wager in excess of \$10,000 or making a payout in excess of \$10,000 on a nonpari-mutuel winning wager, if a book knows a person is placing a wager or receiving a payout allowed by the Nevada Revised Statutes and these regulations on behalf of another person, the licensee shall obtain and record the information required by paragraphs (a) through ~~{d}~~e of subsection 1 with respect to all persons placing the wager or receiving the payout, and the licensee shall reasonably attempt to obtain and, to the extent obtained, shall record the information required by paragraphs (a) through ~~{d}~~e of subsection 1 with respect to all persons for whom the wager was placed or the payout received.

3. Subsequent to accepting a nonpari-mutuel wager in excess of \$10,000 or making a payout in excess of \$10,000 on a nonpari-mutuel winning wager the book shall record or maintain records that include:

- (a) The patron's name and, if applicable, the agent's name;
- (b) The patron's address and, if applicable, the agent's address;
- (c) The patron's social security number and, if applicable, the agent's social security number;
- (d) A description including any document number of the identification credential examined ~~{(or credential information on file for known patrons)}~~ and, if applicable, for the agent;
- (e) The amount~~{s}~~ of the wager ~~{and}~~ or payout ~~{on the wager}~~;
- (f) Window number~~{s}~~ or other identification of the location~~{s}~~ where the wager ~~{and}~~ or payout ~~{on the wager}~~ occurred;
- (g) The time~~{s}~~ and date~~{s}~~ of the wager ~~{and}~~ or payout ~~{on the wager}~~;
- (h) The names and signatures of the book employees accepting or approving the wager and payout on the wager; and
- (i) Any other information as required by the chairman.

A book shall not implement alternative procedures to comply with this subsection without the written approval of the chairman.

4. ~~{As used in this section, a "known patron" means an individual patron known to the book employees accepting the wager and paying the winning wager, for whom the~~

~~licensee has previously obtained the patron's name and identification credential, and with respect to whom the licensee has on file and updates, at least every three years, all the information required to be recorded pursuant to this section.~~

~~[5. As used in this section, a "listed patron" means a known patron for whom the book has requested and received approval from the chairman to exclude wagers and payments on winning wagers placed by the patron from the reporting requirements of this section. If the chairman does not deny the request for approval within 15 days of receipt of the request, the request will be deemed to be approved. All approvals may be revoked at any time at the discretion of the chairman, and are conditioned that the patron's wagers and payments on winning wagers remain subject to the identification and recordkeeping requirements of subsections 1 through 4 and of Regulations 22.062 and 22.063. A book's written request to have a patron approved as a listed patron shall include:~~

- ~~(a) The patron's name;~~
- ~~(b) The patron's residence, mailing or business address;~~
- ~~(c) The patron's social security number;~~
- ~~(d) The patron's identification credential information including any document number and expiration date;~~
- ~~(e) The patron's birth date;~~
- ~~(f) A recent photograph of the patron's face or a copy of a current picture identification credential;~~
- ~~(g) A description of the patron's book wagering activity including the use of any wagering accounts or credit accounts including account numbers;~~
- ~~(h) A statement as to why the book desires to have the patron approved as a listed patron and an acknowledgment that the book believes that the patron is not involved in illegal wagering activity;~~
- ~~(i) The signature of the licensee or an officer of the licensee; and~~
- ~~(j) Any other information as required by the chairman.~~

~~All records related to the patron's activity supporting the request shall be available for board review.~~

~~6.] Each book shall report the wagers [and] or payouts [payments on winning wagers] required to be recorded pursuant to this section[, excluding any wagers and payments on winning wagers accepted from listed patrons,] on a "Book Wagering Report," a form published or approved by the chairman that includes, but is not limited to:~~

- ~~(a) The patron's and agent's (if applicable) name;~~
- ~~(b) The patron's and agent's (if applicable) government issued identification[ty] credential information;~~
- ~~(c) The patron's and agent's (if applicable) social security number;~~
- ~~(d) Wager and payout amounts; and~~
- ~~(e) Date of transactions.~~

Reports shall be submitted to the board no later than 15 days after the end of the month of the occurrence of the transaction and in such manner as the chairman may approve or require. Each book shall file an amended report if the licensee obtains information to correct or complete a previously submitted report, and the amended

report shall reference to the previously submitted report. Each book shall retain a copy of each report filed for at least 5 years unless the chairman requires retention for a longer period of time.

22.062 Multiple wagers.

1. No Change.

2. No Change.

3. Each log entry in a wagering multiple transaction log shall be made by the employee accepting or approving the wager, immediately after accepting the wager, and shall include at a minimum:

(a) Description of the patron (or agent), which may include such identifiers as age, sex, race, eye color, hair, weight, height and attire, if the person is present when the wager is accepted;

(b) Patron's name and agent's name, if known;

(c) Window number or other identification of the location where the wager occurred;

(d) Time and date of the wager;

(e) Dollar amount of the wager; and

(f) Signature or electronic signature of person accepting or approving the wager.

One log shall be maintained for each monitoring area, for each designated 24-hour period. A log is completed for each 24-hour period regardless of whether any nonpari-mutuel wagers occurred. At the conclusion of each designated 24-hour period, the last entry on ~~the~~ a log which is recorded manually shall be an indication that the end of the designated 24-hour period has occurred. A book shall not implement alternative procedures or records to comply with this subsection without the written approval of the chairman.

4. No Change.

5. No Change.

6. No Change.

7. No Change.

22.080 Payment of winning wagers.

1. No Change.

2. No Change.

3. Books shall honor winning betting tickets for 30 days after the conclusion of the event wagered upon unless a longer period is established by the book. The book shall state the redemption period on each betting ticket, in house rules and on notices conspicuously placed about the licensed premises. Payment by mail may be made only after presentment of the betting ticket and all identification information and documentation required by state or federal law, and must be made not later than 10 days after presentment. A book may accept a photocopy of a driver license or passport in lieu of an actual driver license or passport when presentment of the betting ticket is made by mail. Books shall maintain the information and documentation presented for a period of 5 years.

4. No Change.

22.120 Prohibited wagers; exception for an event other than a horse race, greyhound race, or an athletic sports event.

1. No wagers may be accepted or paid by any book on:
 - (a) Any amateur sport or athletic event other than:
 - (1) Olympic sporting or athletic events sanctioned by the International Olympic Committee, subject to limitation by the chairman or the chairman's designee in his sole and absolute discretion, and
 - (2) Collegiate sporting or athletic events;
 - (b) Any collegiate sport or athletic event which the licensee knows or reasonably should know, is being placed by, or on behalf of a coach or participant in that collegiate event. Each licensee shall take reasonable steps to prevent the circumvention of this regulation;
 - (c) The outcome of any election for any public office both within and without the State of Nevada;
 - (d) Any event, regardless of where it is held, involving a professional team whose home field, a court, or base is in Nevada, or any event played in Nevada involving a professional team, if, not later than 30 days before an event or the beginning of a series of events, the team's governing body files with the commission a written request that wagers on the event or series of events be prohibited, and the commission approves the request;
 - (e) Any virtual event unless:
 - (1) An approved gaming device is used to determine the outcome(s) and to display an accurate representation of the outcome(s) of the virtual event;
 - (2) A live display of the virtual event is offered to all approved sports pools; and
 - (3) The virtual event is approved pursuant to the procedures set forth in subsection ~~1(f)~~ 1(f); and
 - (f) Any event other than a horse race, greyhound race, or an athletic sports event, unless such event is:
 - (1) Administratively approved by the chairman in writing in accordance with subsection 3;
 - (2) After referral from the chairman, approved by the commission in accordance with subsection 5; or
 - (3) Approved by the board after review pursuant to Regulation 4.190 or, if applicable, approved by the commission after review pursuant to Regulation 4.195.
2. No Change.
3. No Change.
4. No Change.
5. No Change.
6. No Change.
7. No Change.
8. No Change.

22.121 Reports of suspicious ~~wagers~~ transactions.

1. As used in this section, “suspicious transaction [wager]” means a transaction [wager] which a book [sports pool licensee] knows or, in the judgment of it or its directors, officers, employees or [and] agents, has reason to suspect [is being attempted or was placed]:

(a) Is, or would be if completed, [H] in violation of, or is [as] part of a plan to violate or evade, any federal, state or local law or regulation [prohibiting wagering on any amateur non-collegiate or collegiate sport or athletic event];

(b) [In violation of or as part of a plan to violate or evade any federal, state or local law or regulation prohibiting] Is, or would be if completed, wagering by, or on behalf of, a coach or participant in a [collegiate sport or athletic] sporting event or other event on such event; or

(c) Has no business or apparent lawful purpose or is not the sort of [wager which] transaction the particular patron would normally be expected to perform [place], and the book [sports pool licensee] knows of no reasonable explanation for the transaction [wager] after examining the available facts, including the background of the transaction [wager].

2. A book [sports pool licensee]:

(a) Shall file with the board, by using a form developed by the board, a report of any suspicious transaction [wager], if it involves or aggregates to more than \$5,000 in funds or other assets; and

(b) May file a report of any suspicious transaction [wager], regardless of the amount if the licensee believes it is relevant to the possible violation of any law or regulation.

3. The report in subsection 2(a) shall be filed no later than 30 [7] calendar days after the initial detection by the licensee of facts that may constitute a basis for filing such a report. [If no suspect was identified on the date of the detection of the incident requiring the filing, a licensee may delay filing a report for an additional 7 calendar days to identify a suspect. In no case shall reporting be delayed more than 14 calendar days after the date of initial detection of a reportable transaction.] In situations involving violations that require immediate attention, the licensee shall immediately notify, by telephone, the board in addition to timely filing a report.

4. No Change.

5. No Change.

[6. For purposes of this regulation, “collegiate sport or athletic event” means a sport or athletic event offered or sponsored by or played in connection with a public or private institution that offers educational services beyond the secondary level.]

22.130 Communications technology.

1. No Change.

2. Before a book accepts any wagering communications, and before a call center accepts any wagering instructions, the book and the call center must obtain the written approval of the chairman to accept such wagering communications and wagering instructions, and thereafter use only the communications technology approved for that purpose. The book or the call center must obtain written permission from the chairman by [March] October 1st of each calendar year to continue using the communications technology.

3. No Change.

4. No Change.
5. No Change.
6. No Change.

Effective upon adoption.