

**PROPOSED AMENDMENTS TO**  
**NEVADA GAMING COMMISSION REGULATION 14**

**As Adopted: 1/23/2020**

**PURPOSE STATEMENT:** To amend Nevada Gaming Commission (Commission) Regulation by repealing subsection 6 of section 14.180, which requires that manufacturers and distributors submit annually to the Nevada Gaming Control Board (Board) a copy of the documentation evidencing registration with the United States Attorney General pursuant to the provisions of the Gaming Devices Act of 1962, 15 U.S.C. 1173; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

**EFFECTIVE DATE:** Effective January 1, 2020 or upon adoption by the Nevada Gaming Commission, whichever is later.

**EXPLANATION:** Matter in *blue italics* is new language; and matter between ~~red brackets with single strikethrough~~ is material to be omitted.

---

**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**

**14.180 Approval for category I licensees to distribute gaming devices out of Nevada; applications and procedure; recordkeeping requirements for category II licensees; extraterritorial distribution compliance; inspection of facilities and devices.**

1. Subject to the exemption set forth in subsection 4, category I manufacturers and distributors shall not distribute gaming devices out of this state without applying for and receiving the prior written approval of the Chair. Applications for such approval to distribute gaming devices out of this state must be made, processed, and determined in such manner and using such forms as the Chair may prescribe. Each application must include, in addition to such other items or information as the Chair

1 may require:

2 (a) The full name, state of residence, address, telephone number, social security  
3 number, and driver's license number of both the purchaser and the person to whom  
4 the shipment is being made, if neither is currently licensed by the Commission. If the  
5 purchaser or person to whom the shipment is being made does not have a social  
6 security number or driver's license number, the birth date of the purchaser or person  
7 to whom the shipment is being made may be substituted;

8 (b) The name and permanent address of the purchaser or person to whom the  
9 shipment is being made if either is currently licensed by the Commission;

10 (c) The destination, including the port of exit if the destination is outside the  
11 continental United States;

12 (d) The number of devices to be shipped;

13 (e) The serial number of each device;

14 (f) The model number of each device and year each device was manufactured, if  
15 known;

16 (g) The denomination of each device;

17 (h) The expected date and time of shipment; and

18 (i) The method of shipment and name and address of carrier.

19 2. Except as provided in paragraph (c) of this subsection, category II  
20 manufacturers and distributors are exempt from subsection 1, and shall:

21 (a) Prepare and maintain records of the information required by the Gaming  
22 Devices Act of 1962, 15 U.S.C. 1173. The records and documentation required by this  
23 paragraph shall be retained for a period of five years and must be produced for  
24 inspection upon request by the Board. The failure to prepare and maintain such  
25 records and documentation will be an unsuitable method of operation.

26 (b) Submit to the Board on or before the 15th day of January and July of each  
27 calendar year an electronic record of the name and address of all current customers  
28 which shall be in a searchable format. The record required by this paragraph shall be  
29 received and retained by the Board as confidential pursuant to NRS 463.120.

30 (c) A category II manufacturer and distributor may by written notice to the Chair

1 elect to be treated as and comply with the requirements of this section applicable to  
2 a category I manufacturer and distributor.

3 3. Manufacturers and distributors shall not ship gaming devices to a destination  
4 where possession of a gaming device is unlawful.

5 4. Category I manufacturers and distributors are exempt from the requirements  
6 of subsection 1 for shipments of gaming devices provided:

7 (a) The gaming devices are only distributed to:

8 (1) Persons licensed to expose such devices for play or for further  
9 distribution, in the jurisdiction of destination or by a tribal gaming authority in the  
10 jurisdiction of destination;

11 (2) A federal, state or tribal gaming regulatory authority or law  
12 enforcement agency; or

13 (3) A testing laboratory authorized by an entity identified within  
14 subparagraph (2) of this paragraph.

15 (b) The category I manufacturer and distributor files the information required  
16 by subsection 1 on or before the 15th of the month following the month of distribution.

17 ↪ The Chair may publish a list of jurisdictions or licensees to which this exemption  
18 does not apply and where category I manufacturers and distributors may not ship  
19 gaming devices without prior approval as required by subsection 1.

20 5. Category I manufacturers and distributors shall obtain and thereafter  
21 maintain, a statement by the purchaser under penalty of perjury that each device  
22 will be used only for lawful purposes, unless the purchaser is currently licensed by  
23 the Commission or comparable agency of another state or tribal gaming agency or the  
24 destination is outside the United States.

25 ~~{6. Manufacturers and distributors shall, on or before the 15th day of January of~~  
26 ~~each calendar year, give the Board a copy of the documentation evidencing~~  
27 ~~registration with the United States Attorney General pursuant to the provisions of~~  
28 ~~the Gaming Devices Act of 1962, 15 U.S.C. 1173, for the ensuing year.}~~

29 ~~{7.}~~ 6. An agent of the Board may inspect:

30 (a) The premises of manufacturers and distributors and all gaming devices located

1 therein.

2 (b) All gaming devices for which an application has been filed by a category I  
3 manufacturer or distributor pursuant to subsection 1 prior to distribution out of this  
4 state. Category I manufacturers and distributors shall make the gaming devices  
5 subject to such applications available for such inspection.

6 ~~[8.]~~ 7. If the Chair does not deny an application filed by a category I manufacturer  
7 or distributor for approval to distribute gaming devices out of this state pursuant to  
8 subsection 1 within five business days of receipt of a complete application, the  
9 application will be deemed to be approved.

10 ~~[9.]~~ 8. A category I manufacturer or distributor shall keep a record of all shipments  
11 made out of state of parts specifically designed for use in a gaming device. The record  
12 must include the information set forth in subsection 1, if applicable. A manufacturer  
13 or distributor shall not ship parts specifically designed for use in a gaming device to  
14 a destination where possession of a gaming device is unlawful.

15 ~~[10.]~~ 9. The Chair may, in the Chair's discretion, waive one or more of the  
16 requirements of this section upon good cause shown.

17 ~~[11.]~~ 10. As used in this section:

18 (a) "Category I manufacturer or distributor" means any manufacturer or  
19 distributor licensed by the Commission that does not qualify as a category II  
20 manufacturer or distributor.

21 (b) "Category II manufacturer or distributor" means any manufacturer or  
22 distributor that:

23 (1) Is and has been licensed in good standing by the Commission for the  
24 preceding five years;

25 (2) Is and has been licensed, registered, approved or qualified in at least  
26 ten other domestic United States or tribal jurisdictions for the preceding three years;

27 (3) Maintains pursuant to or consistent with the requirements of section  
28 5.045 of these regulations a compliance review and reporting system;

29 (4) Has annual gross sales exceeding \$5 million dollars for such licensee's  
30 preceding fiscal year;

1                   (5) Maintains an office or other facility in the state of Nevada at which the  
2 records required by this section are stored and may be inspected and copied by the  
3 Board; and

4                   (6) Did not during the preceding year exclusively distribute used gaming  
5 devices.

6       ↳ As used in this paragraph, “used gaming devices” means gaming devices previously  
7 used or played in a gaming operation in Nevada, including such devices that have  
8 been in any way modified or refurbished since original manufacture.

9       (c) “Current customer” means a person to whom the applicable manufacturer or  
10 distributor has shipped or delivered a gaming device within the preceding six months  
11 pursuant to a contract, agreement or other arrangement with such manufacturer or  
12 distributor, or its affiliate, for the purchase, lease, license or other right to use such  
13 gaming device.