

## PROPOSED AMENDMENTS TO REGULATION 25

**PURPOSE:** In accordance with NRS 463.145, and 463.150, and in conjunction with creating a comprehensive and unified framework for the registration of independent agents, independent hosts, manufacturers and distributors of associated equipment, and service providers in regulation 4, to amend regulations 25.020 and 25.040 regarding the registration of independent agents and reporting requirements, including without limitation: 1) to make necessary deletions and changes to conform with the creation of a new section in regulation 4, which will contain the requirements regarding the registration of independent agents; 2) to amend the amount of time a licensee has to transmit to the Board an independent agent's application for registration; 3) to clarify that, once registered with the Board, an independent agent can act on behalf of one or more licensees; 4) to amend when licensees must provide to the Board lists of registered independent agents; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

### REGULATION 25

#### INDEPENDENT AGENTS

(As Adopted: July 28, 2022)

*New*  
~~[Deleted]~~

#### **25.010 Definitions.**

[No Change]

#### **25.020 Registration.**

1. An independent agent who:
  - (a) Has authority from a licensee to authorize customer incentives with a cumulative value exceeding \$10,000 in a calendar year;
  - (b) Receives compensation from a licensee for his or her services as an independent agent; or

(c) Approves or grants the extension of gaming credit on behalf of a licensee or collects a debt evidenced by a credit instrument,

↳ shall register with the Board *and be subject to the provisions of this section and Regulation 4.200.* ~~[and]~~ *An independent agent* shall have a written agreement with the licensee evidencing such authority or compensation.

~~2. [A registration issued by the Board pursuant to this section expires five years after the Chair sends notice to a licensee that the independent agent is registered with the Board and, except as otherwise provided in subsection 6, every five years thereafter if a completed filing for renewal is received by the Board prior to the expiration of the registration. A completed filing for renewal of registration must be submitted to the Board not less than 30 days prior to the expiration of the registration.]~~

~~—3.]~~ A licensee shall not compensate an independent agent who must register pursuant to subsection 1 for services rendered until the Chair notifies the licensee in writing that the independent agent is registered with the Board.

~~[4. A filing for registration, or renewal of registration, as a registered independent agent must include:~~

~~—(a) Completed forms as furnished by the Board, information, and documents as required by the Chair;~~

~~—(b) A written statement, signed under penalty of perjury on a form furnished or approved by the Board, affirming that the applicant for registration as an independent agent:~~

~~—(1) Submits to the jurisdiction of the State of Nevada, the Board, and the Commission;~~

~~—(2) Designates the Secretary of State as its representative upon whom service of process may be made;~~

~~—(3) Agrees to be governed and bound by the laws of the State of Nevada and the regulations of the Commission;~~

~~—(4) Provided complete and accurate information to the Board; and~~

~~—(5) Will cooperate with all requests, inquiries, and investigations of the Board or Commission;~~

~~—(c) One complete set of fingerprints from the independent agent (if a natural person) and from each of the direct and beneficial owners thereof, if applicable (if a natural person);~~

~~—(d) The fee established by the Chair; and~~

~~—(e) Any additional information requested by the Board or Commission.~~

~~—5.]~~ **3.** The independent agent shall provide its completed ~~{filing}~~ *application for registration or renewal of registration* to the licensee for transmittal to the Board. The licensee shall transmit such ~~filing}~~ *application* to the Board within ~~{90}~~ *60* days of the licensee's receipt of the complete filing. The Board may reject a filing made directly by an independent agent.

~~{6. At any time prior to notifying a licensee in writing that an independent agent is registered with the Board or that an independent agent's registration with the Board is renewed, the Chair may object to the registration of an independent agent for any cause the Chair deems reasonable. If the Chair objects to the registration of an independent agent, the Chair shall send written notice of the decision to the independent agent and the licensee who submitted the filing for registration.~~

~~—7. An objection by the Chair to the registration of an independent agent shall be considered an administrative decision that is subject to review upon appeal by the applicant pursuant to the procedures established by Regulations 4.185, 4.190, and 4.195.~~

~~—8. A licensee is prohibited from submitting a subsequent filing for registration as an independent agent to the Board for the same applicant for 1 year from the date of notice of the Chair objecting to the registration of such independent agent. Such independent agent shall~~

~~not commence providing any services set forth in subsection 1 of this section prior to the Chair approving the registration.~~

~~—9. A person registered as an independent agent or a person who has a pending filing for registration as an independent agent pursuant to this section shall report changes to the information required pursuant to subsection 4 to the Board within 30 days of such change. The Chair may, in the Chair's sole and absolute discretion, require a new registration pursuant to subsection 1 of this section if there is a change in ownership.~~

~~—10. The Chair may cancel the registration of an independent agent if the independent agent or direct or beneficial owner thereof:~~

~~—(a) Is convicted of a felony;~~

~~—(b) Is convicted of a crime involving illegal activity occurring on the premises of a licensee; or~~

~~—(c) Fails to comply with any drug testing ordered by the Chair, or if a drug test ordered by the Chair shows a positive result for a controlled substance.~~

~~—11. The effective date of cancellation of a registration as an independent agent issued pursuant to subsection 10 shall be 5 days after the Board deposits notice of cancellation to the independent agent's last known address with the United States Postal Service with the postage thereon prepaid. The Board shall notify any licensee who entered into an agreement with the independent agent of such cancellation and the effective date thereof. The Board shall also send notice of the cancellation to the Secretary of State as the designated representative of the independent agent upon whom service of process may be made.~~

~~—12. The cancellation of the registration of an independent agent shall be considered an administrative decision that is subject to review upon appeal by the independent agent pursuant to the procedures established by Regulations 4.185, 4.190, and 4.195. A licensee is prohibited from submitting a subsequent filing for registration as an~~

~~independent agent to the Board for the person whose registration was canceled for 1 year from the date of notice of the cancellation or the final decision on any appeal of such cancellation, whichever occurs later.]~~

~~[13. If the Board receives a copy of a court order related to child support issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is registered as an independent agent:~~

~~—(a) The Board shall deem the registration of that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Board receives a letter issued to the independent agent by the district attorney or other public agency pursuant to NRS 425.550 stating that the independent agent has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.~~

~~—(b) The Board shall reinstate the registration as an independent agent of a person that has been suspended by a district court pursuant to NRS 425.540 if the Board receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose registration was suspended stating that the person whose registration was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.~~

~~—(c) The Board shall notify any licensee who entered into an agreement with the independent agent of such suspension or reinstatement and the effective dates thereof.]~~

**4. Once registered with the Board, an independent agent can act on behalf of one or more licensees.**

**25.025 Independent agent compensation.**

[No Change]

**25.030 Determination of suitability.**

[No Change]

**25.040 Required reports and recordkeeping.**

1. [No Change]

2. No later than ~~January 31~~ February 15 of each year, each licensee shall provide to the Board separate lists of registered independent agents:

(1) Whose agreement with the licensee terminated in the preceding calendar year. This list must include the total compensation paid in that year to each registered independent agent on the list.

(b) Whose agreement with the licensee is currently active. This list must include the total compensation paid in the preceding calendar year to each registered independent agent on the list.

3. [No Change]

4. [No Change]

**25.050 Mandatory requirements.**

[No Change]