

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 AND  
ASSOCIATED EQUIPMENT

(Amendments Adopted by the Nevada Gaming Commission on 05/22/03)

14.010 Definitions. As used in this regulation, unless the context otherwise requires:

**1. “Cashless wagering system” means the collective hardware, software, communications technology, and other associated equipment used to facilitate wagering with other than chips, tokens or legal tender of the United States. The term does not include any race and sports computerized bookmaking system that accepts pari-mutuel wagers, or any other race and sports book systems that do not accept wagering instruments or process electronic money transfers. This type of associated equipment is further defined in NRS 463.014.**

**2[1]. “Chairman” means the chairman or other member of the state gaming control board.**

**3[2]. “Conversion” means a change in a gaming device from one pre-approved configuration to another pre-approved configuration or from one approved mode of play to another approved mode of play.**

**4[3]. “Distributor” is any person that sells, leases, markets, offers, or otherwise distributes any gaming device or cashless wagering system for use or play in Nevada or sells, leases, or otherwise distributes any gaming device or cashless wagering system from a location within Nevada.**

**5[4]. “Distributor of associated equipment” is any person that sells, leases, markets, offers, or otherwise distributes associated equipment in Nevada for use by licensees.**

**6[5]. “Game outcome” is the final result of the wager.**

**7. “Inter-casino linked system” means an inter-casino linked system including the collective hardware, software, communications technology and other associated equipment used to link and monitor games or devices located at two or more licensed gaming establishments. Systems that solely record a patron’s wagering activity among affiliated properties are not inter-casino linked systems. This term is further defined in NRS 463.01643.**

**8. “Inter-casino linked system modification” means a change or alteration to an inter-casino linked system made by an operator who has been previously approved by the commission to operate that system. With regard to inter-casino linked systems that link progressive payout schedules, the term includes, but is not limited to:**

**(a) A change in a system name or theme; or**

**(b) A change in gaming device denomination.**

**9[6].** “Manufacturer” is any person that manufactures, assembles, produces, programs, or makes modifications to any gaming device **or cashless wagering system** for use or play in Nevada or for distribution outside of Nevada.

**10[7].** “Manufacturer of associated equipment” is any person that manufactures, assembles, or produces any associated equipment, including inter-casino linked systems, for use by licensees.

**11[8].** “Modification” means a change or alteration in a gaming device that affects the manner or mode of play of the device. The term includes a change to control or graphics programs and, except as provided in paragraphs (d) and (e), in the theoretical hold percentage. The term does not include:

- (a) A conversion;
- (b) Replacement of one component with another, pre-approved component;
- (c) The rebuilding of a previously approved device with pre-approved components;
- (d) A change in the theoretical hold percentage of a mechanical or electro-mechanical device, provided that the device as changed meets the standards of Regulation 14.040(1); or
- (e) A change in the theoretical hold percentage of an electronic device which is the result of a top award jackpot or bonus jackpot payment which is paid directly by an attendant and which is not accounted for by the device.

**12. “On-line slot metering system” means the collective hardware, software and other associated equipment used to monitor, accumulate, and record meter information from gaming devices within a licensed establishment.**

**13[9].** “Operator” means any person or entity holding a license to operate an inter-casino linked system in Nevada, a person or entity holding a license to operate a slot machine route that operates an inter-casino linked system for slot machines only, or a person or entity holding a license to operate a nonrestricted gaming operation that operates an inter-casino linked system of affiliates.

**14. “Private residence” means a noncommercial structure used by a natural person as a place of abode and which is not used for a commercial purpose.**

**15[10].** “Randomness” is the observed unpredictability and absence of pattern in a set of elements or events that have definite probabilities of occurrence.

**11. “Private residence” means a noncommercial structure used by a natural person as a place of abode and which is not used for a commercial purpose.**

**12. “System” means an inter-casino linked system including the collective hardware, software, communications technology and other associated equipment used to link and monitor games or devices located at two or more licensed gaming establishments.**

**13. “System modification” means a change or alteration to an inter-casino linked system made by an operator who has been previously approved by the commission to operate that system, and includes, but is not limited to:**

- (a) A change in a system name or theme; or**
- (b) A change in gaming device denomination.]**

**16[14]. “Theme” means a concept, subject matter and methodology of design.**  
(Adopted: 7/89. Amended: 10/90; 8/93; 1/27/00; 5/00; 5/03.)

14.020 License required; applications.

1. A person may act as a manufacturer or distributor, or **as [an]** an operator, only if that person holds a license specifically permitting the person to act as a manufacturer or distributor, or as an operator except as provided for in NRS 463.160(2).

2. **No change.**  
(Adopted: 7/89. Amended: 5/00; 5/03.)

14.025 **No change.**

14.030 Approval of gaming devices and the operation of new **inter-casino linked** systems; applications and procedures.

1. **No change.**

2. An operator of an **inter-casino linked** system shall not install and operate a new **inter-casino linked** system in Nevada and a licensee shall not offer any gaming device or game for play that is part of such a system unless operation of the **inter-casino linked** system and all gaming devices or games that are part of or connected to the **inter-casino linked** system have been approved by the commission or are offered for play pursuant to a field test ordered by the chairman.

3. Applications for approval of a new gaming device or to operate a new **inter-casino linked** system shall be made and processed in such manner and using such forms as the chairman may prescribe. Only licensed manufacturers may apply for approval of a new gaming device. Only operators may apply for approval to operate a new **inter-casino linked** system.

4. At the chairman’s request an applicant for a manufacturer’s or **inter-casino linked** system operator’s license shall, or upon the chairman’s prior approval an applicant for a manufacturer’s or

operator's license may, apply for a preliminary determination that a new gaming device or new **inter-casino linked** system meets the standards required by this regulation.

5. Each application shall include, in addition to other items or information as the chairman may require:

(a) A complete, comprehensive, and technically accurate description and explanation in both technical and lay language of the manner in which the device or **inter-casino linked** system operates, signed under penalty of perjury;

(b) A statement under penalty of perjury that, to the best of the manufacturer's knowledge, the gaming device meets the standards of section 14.040 or, in the case of an **inter-casino linked** system, that to the best of the operator's knowledge the system meets the standards of section 14.045;

(c) **No change.**

(d) **No change.**

(e) In the case of an **inter-casino linked** system:...  
(Adopted: 7/89. Amended: 11/20/97; 1/27/00; 5/00; **5/03**.)

14.040 **No change.**

14.045 Minimum standards for **inter-casino linked** systems. All **inter-casino linked** systems submitted for approval:

1. Shall, in the case of an **inter-casino linked** system[s] featuring a progressive payoff schedule **that increases as the inter-casino linked system is played**, have a minimum rate of progression **for the primary jackpot meter** of not less than .4 of one percent of amounts wagered. **In the case of an inter-casino linked system featuring a progressive payoff schedule that increases over time, have a minimum rate of progression for the primary jackpot meter of not less than one hundred dollars per day.** The provisions of this subsection do not prevent an operator from limiting a progressive payoff schedule as allowed by Regulation 5.112(5).

2. Shall have a method **to [for]** secure data transmissions between the games and devices and the main computer of the operator, as approved by the board.

3. Gaming devices connected to a common payoff schedule shall:

(a) All be of the same denomination; or

(b) If of different denominations, equalize the expected value of winning the payoff schedule on the various denominations by setting the odds of winning the payoff schedule in proportion to the amount wagered or by requiring the same wager to win the payoff schedule regardless of the device's denomination. The method of equalizing the expected value of winning the payoff schedule shall be conspicuously displayed on each device connected to the **inter-casino linked** system.

4. Shall display the rules of play and the payoff schedule.

5. Shall meet the applicable minimum standards for internal control that have been adopted pursuant to Regulation 6.090.

(Adopted: 5/00. **Amended: 5/03.**)

14.050 Technical standards.

1. The chairman shall publish technical standards for approval of new gaming devices, **on-line slot metering systems, and cashless wagering systems.**

2. The chairman shall:

(a) Publish notice of the proposed action in such newspapers as the commission shall prescribe;

(b) Mail a copy of the proposed technical standards or revisions and a copy of this section of Regulation 14 to every nonrestricted licensee, **licensed manufacturer** and every person who has filed a request [**therefor**] with the commission; and

(c) Provide a copy of the proposed technical standards or revisions to the commission.

3. The chairman shall consider all written statements, arguments, or contentions submitted by interested parties within 30 days of service of the notice provided for in subsection 2.

4. Not later than 45 days after service of written notice that the chairman has proposed the technical standards, any nonrestricted licensee **or licensed manufacturer** may object to the technical standards or revisions by filing a written objection with the commission.

5. The commission shall consider **any objections filed to** the technical standards or revisions proposed by the chairman. If the commission does not **concur with [adopt]** any of the technical standards, the chairman shall revise the technical standards to reflect the order of the commission.

6. The chairman shall send written notice of the effective date of the standards to all nonrestricted licensees, **licensed manufacturers** and every person who has filed a request [**therefor**] with the commission.

7. Nonrestricted licensees **or licensed manufacturers** may propose the adoption, revision, or deletion of technical standards by submitting a written request to the chair man who will consider the request at his discretion. If the chairman does not propose the technical standard, the nonrestricted licensee **or licensed manufacturer** may file a request with the commission to adopt, revise, or delete a technical standard. The commission may consider the request at its discretion.

(Adopted: 7/89. **Amended: 5/03.**)

14.060 Employment of individual to respond to inquiries from the board. Each manufacturer and operator shall employ or retain an individual who understands the design and function of each of its

gaming devices, **cashless wagering systems**, or **inter-casino linked** systems who shall respond within the time specified by the chairman to any inquiries from him concerning the gaming device, **cashless wagering system**, or **inter-casino linked** system or any modifications to the device, **cashless wagering system**, or **inter-casino linked** system. Each manufacturer or operator shall on or before December 31<sup>st</sup> of each year report in writing the name of the individual designated pursuant to this section and shall report in writing any change in the designation within 15 days of the change. (Adopted: 7/89. Amended: 5/00; **5/03**.)

14.070 **No change.**

14.075 Board evaluation of **inter-casino linked** systems. The chairman or his designee may require transportation of not more than one working model of a **an inter-casino linked** system to the board's offices or some other location for review and inspection pursuant to Regulation 14.260. The associated equipment manufacturer seeking approval of the **inter-casino linked** system shall pay the cost of the inspection and investigation. The board may dismantle the model and may destroy electronic components in order to fully evaluate the **inter-casino linked** system. The chairman may require that the operator of a **an inter-casino linked** system provide specialized equipment or the services of an independent technical expert to evaluate the **inter-casino linked** system. (Adopted: 7/89. **Amended: 5/03**.)

14.080 Field test of new gaming devices and new **inter-casino linked** systems.

1. The chairman shall make a preliminary, nonbinding determination whether a new gaming device meets the standards of section 14.040 or a new **inter-casino linked** system meets the standards of section 14.045. If the chairman makes a preliminary determination that a new gaming device has met the standards of section 14.040 or a new **inter-casino linked** system has met the standards of section 14.045, he may allow or require that one or more models of the gaming device or the **inter-casino linked** system be tested at a licensed gaming establishment(s) for not less than 60 nor more than 180 days under terms or conditions that he may approve or require. Upon written request of the manufacturer, distributor or operator, the chairman may, by written agreement, allow the test period to be continued an additional 90 days beyond the 180 day maximum field test period, for the purpose of allowing the application for approval of the new gaming device or the application to operate a new **inter-casino linked** system to be acted upon by the board and commission. The chairman shall report all field tests on the agenda of the next regularly scheduled meeting of the board and commission.

2. A manufacturer shall not modify a gaming device and an operator shall not modify a new **inter-casino linked** system during the test period without the prior oral or written approval of the chairman. Within 15 days of a modification made upon oral approval, the manufacturer or operator making such modification shall submit a written request for approval of the modification.

3. The chairman may order termination of the test period, if he determines, in his sole and absolute discretion, that the manufacturer, operator, or licensed gaming establishment has not complied with the terms and conditions of the order allowing or requiring a test period or if the new gaming device or new **inter-casino linked** system fails to meet the standards of section 14.040 or section 14.045, respectively.

(a) and (b) **No change.**

4. A licensee or manufacturer, or their agent shall not play a new gaming device during a test period. A licensee or operator, or their agent, shall not play a gaming device or game connected to a new **inter-casino linked** system during a test period.

5. If the chairman has made a determination that a new gaming device or new **inter-casino linked** system is not eligible for testing at a licensed gaming establishment because the new device or new **inter-casino linked** system does not meet the standards of section 14.040 or section 14.045, respectively, he shall notify the manufacturer or operator in writing. Not later than 10 days after receipt of such notification, the manufacturer or operator may object to such a determination by filing written objection with the commission. If the commission fails to order a test period within 60 days of the written objection, the objection will be deemed denied. If the commission sustains the objection, the new gaming device or new **inter-casino linked** system may be tested at a licensed gaming establishment under terms and conditions that may be approved or required by the commission.

(Adopted: 7/89. Amended: 10/90; 5/00; **5/03.**)

14.090 **No change.**

14.100 Final approval of new gaming devices and new **inter-casino linked** systems. After completing its evaluation of the new gaming device or the operation of a new **inter-casino linked** system, the board shall recommend to the commission whether the application for approval of the new gaming device or operation of a new **inter-casino linked** system should be granted. In considering whether a new gaming device or operation of a new **inter-casino linked** system will be given final approval, the board and commission shall consider whether approval of the new gaming device or operation of a new **inter-casino linked** system is consistent with the public policy of this state. Commission approval of a gaming device or **inter-casino linked** system does not constitute certification of the device's or **inter-casino linked** system's safety.

(Adopted: 7/89. Amended: 5/00; **5/03.**)

14.110 Approval to modify gaming devices or **inter-casino linked** systems; applications and procedures.

1. Modifications to gaming devices may only be made by licensed manufacturers who have received prior written approval of the chairman. **Inter-casino linked [S]** system modifications may only be made by operators of such systems who have received prior written approval of the chairman. The chairman, in his sole and absolute discretion, may refer an **inter-casino linked** system modification to the full board and commission for consideration of approval. In an emergency when a modification is necessary to prevent cheating or malfunction, the chairman may, in his sole and absolute discretion, orally approve a modification to be made by a manufacturer or operator. Within 15 days of the emergency modification, the manufacturer or operator making such modification shall submit a written request for approval of the modification that shall contain the information required by subsection 3 and such other information as required by the chairman.

2. A manufacturer shall not modify a gaming device unless the device, as modified, meets the standards of section 14.040. An operator shall not modify **an inter-casino linked** system unless the system, as modified, meets the standards of section 14.045. The chairman may, in his sole and absolute discretion, waive all or some of the standards of section 14.040 or section 14.045, respectively, if the modification is necessary to prevent cheating or malfunction. The chairman may, in his sole and absolute discretion, waive the standards of subsections 1 and 6 of section 14.040 if the gaming device was originally approved by the commission prior to the effective date of this regulation. A waiver shall be effective when the manufacturer or operator receives a written notification from the chairman that all or some of the standards will be waived pursuant to this subsection. A waiver of all or some of the standards pursuant to this subsection is not an approval of the modification.

3. Applications for approval to modify a gaming device or **an inter-casino linked** system shall be made and processed in such manner and using such forms as the chairman may prescribe. Each application shall include, in addition to such other items or information as the chairman may require:

(a) **No change.**

(b) Unless the standards of section 14.040 or section 14.045 have been waived pursuant to subsection 2, a statement under penalty of perjury that to the best of the manufacturer's knowledge, the gaming device, as modified, meets the standards of section 14.040 or, in the case of **an inter-casino linked** system, a statement under penalty of perjury that to the best of the operator's knowledge the **inter-casino linked** system, as modified, meets the standards of section 14.045;

(c) and (d) **No change.**

(e) In the case of **an inter-casino linked** system:

(1) through (5) **No change.**

(Adopted: 7/89. Amended: 11/20/97; 1/27/00; 5/00; **5/03.**)

#### 14.120 Board evaluation of modifications.

1. The chairman or his designee may require transportation of not more than two working models of a modified gaming device or not more than one working model of a modified **inter-casino linked** system, or any component thereof, to the board's offices or some other location for review and inspection. The manufacturer or operator seeking approval of the modification shall pay the cost of the inspection and investigation. The board may dismantle the models and may destroy electronic components in order to fully evaluate the modified gaming device or **inter-casino linked** system, or component. The chairman may require that the manufacturer or operator provide specialized equipment or the services of an independent technical expert to evaluate the modification.

2. **No change.**

(Adopted: 7/89. Amended: 5/00; **5/03.**)

#### 14.130 Field test of modified gaming devices and modified **inter-casino linked** systems.



1. The chairman shall make a preliminary, nonbinding determination whether a modified gaming device meets the standards of section 14.040 or a modified **inter-casino linked** system meets the standards of section 14.045, if those standards have not been otherwise waived pursuant to subsection 2 of section 14.110. If the chairman makes a preliminary determination that a modified gaming device or modified **inter-casino linked** system has either met the standards of section 14.040 or section 14.045, as applicable, or that those standards have been waived, he may allow or require that one or more models of the modified gaming device or modified **inter-casino linked** system be tested at a licensed gaming establishment for not more than 180 days under terms and conditions that he may approve or require.

2. A manufacturer shall not further modify a gaming device and an operator shall not further modify an **inter-casino linked** system during the test period without the prior oral approval of the chairman. Within 15 days of a further modification made upon oral approval, the manufacturer or operator making such modification shall submit a written request for approval of the modification.

3. **No change.**

4. A licensee or manufacturer, or their agent shall not play a modified gaming device during a test period. A licensee or operator, or their agent shall not play a gaming device or game connected to a modified **inter-casino linked** system during a test period.

5. If the chairman has made a determination that the modified gaming device or modified **inter-casino linked** system is not eligible for testing at a licensed gaming establishment because the modified gaming device or modified **inter-casino linked** system does not meet the standards of section 14.040 or section 14.045, respectively, and those standards have not been waived pursuant to subsection 2 of section 14.110, he shall notify the manufacturer or operator in writing.

(Adopted: 7/89. Amended: 5/00; **5/03**.)

14.140 through 14.210 **No change.**

14.220 Summary suspension of approval of gaming devices and **inter-casino linked** systems.

1. The board may issue a summary order, with or without notice to the manufacturer, distributor, operator, or licensee, suspending approval of a gaming device or **inter-casino linked** system if it determines that the device or **inter-casino linked** system does not operate:

(a) and (b) **No change.**

(c) As approved by the chairman, if the device has been modified since initial approval of the device or **inter-casino linked** system.

2. After issuing an order pursuant to subsection 1, the board may seal or seize all models of that gaming device or **inter-casino linked** system and shall thereafter comply with subsections 5 and 6 of section 463.311 and sections 463.312 to 463.318 of the Nevada Revised Statutes.

(Adopted: 7/89. Amended: 5/00; **5/03**.)

14.230 through 14.250 **No change.**

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 officers 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; and

(d) [Details of all tests performed] A statement that describes the testing procedures performed, [and] the standards under which such tests were performed, including Technical Standards 2 and 3, if applicable, and the results of such testing that confirm the associated equipment is functioning as represented, signed under the penalty of perjury.

2. [Upon] Except as provided in subsection 3, upon written request from the manufacturer or distributor of associated equipment, or as the chairman [he] otherwise deems reasonable, he [the chairman] 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. 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.

(Adopted: 7/89. Amended: 5/00; 5/03.)

14.270 Board evaluation of associated equipment. The chairman or his designee may require transportation of not more than 2 working models of associated equipment to the new game lab of the

board or some other location for review and inspection. The lab may dismantle the associated equipment and may destroy electronic components in order to fully evaluate the equipment. The chairman may require the manufacturer or distributor seeking approval to provide specialized equipment or the services of an independent technical expert to evaluate the **associated** equipment. (Adopted: 7/89. Amended: 5/00; **5/03**.)

14.280 Field trial of associated equipment.

1. The chairman or his designee may allow or require that the associated equipment be tested at licensed gaming establishments for not more than 180 days under terms and conditions that he may approve or require. The chairman may allow an additional test period upon written request of the manufacturer or distributor of the associated equipment.

2. A manufacturer of associated equipment shall not modify associated equipment during the test period without the prior oral approval of the chairman or his designee.

3. The chairman may order termination of the test period, if he determines, in his sole and absolute discretion, that the manufacturer or distributor of the associated equipment or **the** licensed gaming establishment has not complied with the terms and conditions of the order allowing or requiring a test period. If the test period is terminated due to the licensed gaming establishment's failure to comply with the terms and conditions of the order allowing or requiring a test period, the chairman may order that the test be conducted at another licensed gaming establishment.

(Adopted: 7/89. Amended: 5/00; **5/03**.)

14.290 Installation of associated equipment. A licensee shall not install or use associated equipment without prior written approval of the chairman or his designee, unless the chairman has waived the **[equipment]** approval requirement pursuant to subsection 2 of **[section] 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 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.**

(Adopted: 7/89. Amended: 5/00; **5/03**.)

14.300 Maintenance of associated equipment. **[A licensee shall not alter the manner in which the associated equipment operates without] The manner in which previously approved associated equipment operates may be altered only with the** prior written approval of the chairman or his designee.

(Adopted: 7/89. Amended: 5/00; **5/03**.)

14.310 through 14.340 **No change.**