



BRIAN SANDOVAL
Governor

STATE OF NEVADA

GAMING CONTROL BOARD

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MARK A. LIPPARELLI, *Chairman*
A.G. BURNETT, *Member*
SHAWN R. REID, *Member*

NOTICE

Notice # 2011-61

Issuing Division: Administration

DATE: SEPTEMBER 7, 2011

TO: PUBLIC, ALL LICENSEES AND INTERESTED PERSONS.

SUBJECT: NOTICE AND AGENDA OF PUBLIC REGULATION WORKSHOP OF THE STATE GAMING CONTROL BOARD TO SOLICIT COMMENTS FOR POSSIBLE AMENDMENTS TO NEVADA GAMING COMMISSION REGULATIONS PERTAINING TO INTERACTIVE GAMING, INTERACTIVE GAMING SERVICE PROVIDERS AND SERVICE PROVIDERS.

- I. NOTICE OF WORKSHOP
- II. AGENDA
 - A. PUBLIC COMMENT
 - B. WORKSHOP AGENDA
 - C. PUBLIC COMMENT

I. NOTICE OF WORKSHOP

The State Gaming Control Board (Board) will hold a public workshop to receive public input and hold discussions on proposed amendments to Nevada Gaming Commission (NGC) Regulations pertaining to the following topics:

- Interactive Gaming
- Interactive Gaming Service Providers
- Service Providers

The public workshop is scheduled as follows:

MONDAY, SEPTEMBER 26, 2011 AT 1:00 P.M.

Gaming Control Board Offices
Grant Sawyer Building
Hearing Room 2450
555 East Washington Avenue
Las Vegas, Nevada 89101

And via video conference at
Gaming Control Board Offices
1919 College Parkway
Carson City, Nevada 89706

Interested persons will be afforded the opportunity to present statements, argument or contentions in writing, with or without opportunity to present them orally. Written comments should be submitted prior to **MONDAY, SEPTEMBER 19, 2011** to Executive Secretary Brian Duffrin via e-mail at bduffrin@gcb.nv.gov.

II. AGENDA

A. PUBLIC COMMENT

This public comment agenda item is provided in accordance with NRS 241.020(2)(c)(3) as amended by Assembly Bill No. 257 (76th Legislative Session (2011)) which requires an agenda provide for periods devoted to comments by the general public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken.

B. WORKSHOP

1. **Interactive Gaming and Interactive Gaming Service Providers** – Receipt of public input and discussion of possible amendments to NGC Regulations to provide for a framework for the regulation of interactive gaming and interactive gaming service providers in the State of Nevada in accordance with the Gaming Control Act as amended by provisions of A.B. 258 and S.B. 218 passed during the 76th (2011) Legislative Session. Such discussion includes, but is not limited to, the following:

- a. **POSSIBLE NEW REGULATION 5A – OPERATION OF INTERACTIVE GAMING.**

PURPOSE: To adopt a comprehensive framework to regulate the operation of interactive gaming in the State of Nevada to include: the scope of the regulations; definitions; licensing and application requirements; license fees; investigative fees; operation of only approved interactive gaming systems; required internal controls that shall meet minimum standards; detection and prevention of criminal activities; access to premises and production of records; revolving investigative fund; requirements pertaining to house rules; registration of individuals to engage in interactive gaming; requirements pertaining to interactive gaming accounts; requirements pertaining to self-exclusion; prohibitions against certain types of wagers; requirements pertaining to information that must be on an interactive gaming website; requirements pertaining to filing suspicious wagering reports; gross revenue computations for interactive gaming; resolution of disputes; requirements pertaining to records; grounds for disciplinary action; powers pertaining to the issuance of an interlocutory stop order; provisions pertaining to interactive gaming service providers; provisions allowing for a waiver; scope and effectiveness of an operator of interactive gaming license.

- b. **POSSIBLE AMENDMENT NGC 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.**

PURPOSE: To amend Regulations 14.010, 14.020, and 14.040 and create a new Regulation 14.024 and to include the following: to amend the definitions of “cashless wagering system,” “chairman” and “manufacture;” to provide definitions for “equipment associated with interactive gaming,” “interactive gaming system,” “manufacturer of equipment associated with interactive gaming,” and “proprietary hardware and software;” to provide that a manufacturer of equipment associated with interactive gaming may be required to file an application for licensure; to require all manufacturers of associated equipment to register with the board; to provide that applications for a manufacturer or distributor license or for a finding of suitability to be a manufacturer of equipment associated with interactive gaming shall be subject to the application and investigative fees established pursuant to Regulation 4.070; to amend the minimum standards for gaming

devices to include that gaming devices must display the rules of play, the amounts to be paid on winning wagers, rake-off percentage or any fee charged to play a game, and monetary wagering limits for games representative of live gambling games.

c. POSSIBLE AMENDMENT TO NGC REGULATION 3 – LICENSING: QUALIFICATIONS.

PURPOSE: To amend Regulation 3.100 to include provisions related to interactive gaming and service providers.

d. POSSIBLE AMENDMENT TO NGC REGULATION 8 – TRANSFER OF OWNERSHIP; LOANS.

PURPOSE: To amend Regulation 8.130 to include operators of interactive gaming and service providers.

e. POSSIBLE AMENDMENT TO NGC REGULATION 4 – APPLICATIONS: PROCEDURE.

PURPOSE: To amend Regulation 4.030 to provide that a manufacturer's license includes a manufacturer of interactive gaming systems; to provide for an operator of interactive gaming license; to provide for a service provider license.

2. Service Providers – Receipt of public input and discussion of possible amendments to NGC Regulations to provide for a framework for the regulation of service providers in the State of Nevada in accordance with the Gaming Control Act as amended by provisions of S.B. 218 passed during the 76th (2011) Legislative Session. Such discussion includes, but is not limited to, the following:

a. POSSIBLE AMENDMENTS TO NGC REGULATION 5 – OPERATION OF GAMING ESTABLISHMENTS.

PURPOSE: To amend Regulation 5 to add provisions pertaining to service providers that may include, but not be limited to, definitions; license classifications; licensing standards and qualifications; licensing fees; location of service provider operations; minimum internal and operational controls; provisions related to licensing of or finding suitable persons owning, operating or having a significant involvement with service providers; liability for fees and taxes; provisions related to gaming employees; grounds for disciplinary action.

b. POSSIBLE AMENDMENTS TO NGC REGULATIONS 3, 8 AND 4 AS LISTED ABOVE PERTAINING TO SERVICE PROVIDERS.

C. PUBLIC COMMENT

This public comment agenda item is provided in accordance with NRS 241.020(2)(c)(3) as amended by Assembly Bill No. 257 (76th Legislative Session (2011)) which requires an agenda provide for periods devoted to comments by the general public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken.

THIS NOTICE AND AGENDA POSTED FOR PUBLIC INSPECTION ON THE BOARD'S WEBSITE (www.gaming.nv.gov) AND IN THE FOLLOWING LOCATIONS:

1919 COLLEGE PARKWAY, CARSON CITY, NEVADA
209 EAST MUSSER STREET, CARSON CITY, NEVADA
555 EAST WASHINGTON AVENUE, CONFERENCE ROOM 2450, LAS VEGAS, NEVADA

885 EAST MUSSER STREET, CARSON CITY, NEVADA
100 STEWART STREET, CARSON CITY, NEVADA

NOTE: ITEMS ON THIS AGENDA MAY BE TAKEN OUT OF ORDER; TWO OR MORE AGENDA ITEMS MAY BE COMBINED FOR CONSIDERATION; AND/OR AT ANY TIME, AN AGENDA ITEM MAY BE REMOVED OR DISCUSSION DELAYED.

COMMENTS AND/OR TESTIMONY BY THE PUBLIC MAY BE LIMITED TO THREE MINUTES. ANY RESTRICTIONS MUST BE REASONABLE AND MAY RESTRICT THE TIME, PLACE AND MANNER OF THE COMMENTS, BUT MAY NOT RESTRICT COMMENTS BASED UPON VIEWPOINT.

WE ARE PLEASED TO MAKE REASONABLE ACCOMMODATIONS FOR MEMBERS OF THE PUBLIC WHO ARE DISABLED AND WISH TO ATTEND THE MEETING. IF SPECIAL ARRANGEMENTS FOR THE MEETING ARE NECESSARY, PLEASE NOTIFY THE EXECUTIVE SECRETARY'S OFFICE IN WRITING AT THE NEVADA GAMING COMMISSION, P.O. BOX 8003, CARSON CITY, NEVADA 89702-8003, OR CALL THE EXECUTIVE SECRETARY'S OFFICE AT (775) 684-7750 AS SOON AS POSSIBLE.