BRIAN SANDOVAL Governor ADRIANA G. FRALICK Executive Secretary

NEVADA GAMING COMMISSION

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> PETER C. BERNHARD, Chairman TONY ALAMO, M.D., Member JOSEPH W. BROWN, Member JOHN T. MORAN JR., Member RANDOLPH J. TOWNSEND, Member

NOTICE

Notice # 2013-69 Issuer: Executive Secretary

DATE: SEPTEMBER 18, 2013

TO: ALL LICENSEES AND OTHER INTERESTED PERSONS

SUBJECT: NOTICE OF HEARING FOR CONSIDERATION AND/OR ADOPTION OF

AMENDMENTS TO REGULATIONS 3, 5, 5A, 6, AND 14 OF THE NEVADA GAMING COMMISSION AND STATE GAMING CONTROL BOARD AND

REGULATIONS AFFECTED BY SENATE BILL 425 OF THE 77th

LEGISLATIVE SESSION AND THE PETITION ON MULTI-JURISDICTIONAL

PROGRESSIVE JACKPOTS

The Nevada Gaming Commission will hold a public hearing for the purpose of considering adoption, amendment or repeal of the regulation(s) stated below. The public hearing will be held on or about the hour of 10:00 a.m. on October 24, 2013 at the State Gaming Control Board Office, Grant Sawyer Building, Hearing Room 2450, 555 East Washington Avenue, Las Vegas, Nevada and via video conference at the State Gaming Control Board, 1919 College Parkway, Carson City, Nevada.

REGULATION 3

PURPOSE: To comply with the requirements of Senate Bill 416 and Assembly Bill 360 as adopted by the 77th Nevada Legislature; to add, delete or change certain provisions that apply to a location that is a bar, tavern, saloon or other similar location licensed to sell alcoholic beverages by the drink for on-premises consumption; to revise or remove the change in the number of machines disqualifier for the grandfather provisions applicable to restricted licenses; to establish that it shall be an unsuitable method of operation for a 3(a) establishment, subsequent to the date a restricted gaming license was last approved by the commission for that establishment, to change or alter the size of the location or the configuration or detail of the bar or restaurant from that which was required to be met by law or regulation in order to obtain a restricted gaming license; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

REGULATIONS 5 AND 14

PURPOSE: To amend the regulations so they specifically contemplate allowing multi-jurisdictional progressive prize systems; to include multi-jurisdictional progressive prize systems in regulations governing periodic payments and payoff schedules; to define multi-jurisdictional prize systems; to update the definition of inter-casino linked system in line with the statutory definition; to update the definition of operator with regard to multi-jurisdictional prize systems; to add a required submission of other jurisdictional requirements and form of agreements affecting a multi-jurisdictional prize systems to the required submission list for inter-casino linked systems; to create a list of items the board and commission must consider on an application for multi-jurisdictional prize system; to set out the board chairman will provide written acknowledgment of commission approval of other jurisdictional requirements and form of agreements; to provide for administrative approval of the modification of the terms of an agreement affecting other jurisdictional requirements and form of agreements; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

<u>PURPOSE:</u> In response to a petition to allow for multi-jurisdictional progressive prize systems by amending provisions of NGC Regulations 5 and 14; specifically, 5.115, 14.010, 14.030 and 14.100 pursuant to Sections 463.143, 463.145(1)(d) and 463.150(2)(j) of the Nevada Revised Statutes which govern multi-jurisdictional progressive prize systems.

REGULATION 5A

<u>PURPOSE</u>: In accordance with NRS 463.145, NRS 463.750, and A.B. 114 and A.B. 360 passed during the 2013 Legislative Session, to amend Regulation 5A to amend and clarify 5A.120(13) applicable to responsible gambling limit settings for interactive gaming accounts; to amend 5A.140 to provide that operators shall not accept or facilitate wagers from any officer, director, owner or key employee of such an operator or its affiliates; to amend 5A.170(4) to include that gross revenue equals all money received by the operator for conducting any contest or tournament in conjunction with interactive gaming; to delete in its entirety 5A.240 pertaining to the scope and effectiveness of operator of interactive gaming license; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

REGULATION 6

<u>PURPOSE:</u> To revise how the nonrestricted Group I licensee threshold amount is determined; to revise how the threshold amounts used to determine which nonrestricted licensees are subject to audits of financial statements and which are subject to reviews of financial statements in line with recent statutory changes; to revise how the threshold amounts are published; and to take such additional action as may be necessary and proper to effectuate these stated purposes. And to adopt regulations prescribing the manner in which transferable tax credits will be administered by the board and to take such additional action as may be necessary and proper to effectuate these stated purposes.

SENATE BILL 425

<u>PURPOSE</u>: In accordance with section 3.5 of Senate Bill 425 of the 77th Legislative Session which requires the Gaming Commission to study and review issues relating to the offering of rebates on pari-mutuel wagers; to determine if offering rebates on pari-mutuel wagering is in the best interest of the State of Nevada.

The proposed regulation changes will be considered by the Commission in accordance with the provisions of NRS 463.145 which provides that on the date and at the time and place designated, any interested person, or their duly authorized representative, or both, shall be afforded the opportunity to present statements, arguments or contentions in writing, with or without the opportunity to present the same orally.

These items will be heard by the Nevada Gaming Commission at the October 24, 2013 meeting, and may be continued and heard at subsequent meetings of the Nevada Gaming Commission as required to effectuate the above stated purposes. This notice is also posted on the Commission's web site at www.gaming.nv.gov as required by NRS 463.145.

The proposed regulation language will be posted on the Gaming Control Board website "Regulation Activity" page at: http://gaming.nv.gov/index.aspx?page=52. Any questions should be directed to Anna Thornley at (775) 684-7718 or via email at athornley@gcb.nv.gov.