PROPOSED AMENDMENTS TO REGULATIONS 14.010 and 14.260 PROPOSED NEW REGULATION 14.265

PURPOSE: To update the definition of cashless wagering system to reflect a new term of art; to delete the prohibition concerning electronic funds transfers from a financial institution to a game or gaming device; to add a new section governing electronic transfers of money using a debit instrument to a game or gaming device; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

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

(Draft Date June 25, 2020)
ADOPTED

New

Deleted

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

- 1. No Change.
- 2. No Change.
- 3. "Cashless wagering system" means the collective hardware, software, communications technology, and other associated equipment used to facilitate wagering on any game or gaming device including mobile gaming systems and interactive gaming systems 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, wagering credits or process electronic [money] transfers. This type of associated equipment is further defined in NRS 463.014.
 - 4. No Change.
 - 5. No Change.
 - 6. No Change.
 - 7. No Change.
 - 8. No Change.
 - 9. No Change.
 - 10. No Change.
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- 32. No Change.
- 33. No Change.
- 34. No Change.
- 35. 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 and a licensee shall not operate or offer associated equipment unless it has been approved by the Chair. Applications for approval of associated equipment shall be made and processed in such manner and using such forms as the Chair may prescribe. Each application shall include, in addition to such other items or information as the Chair may require:
- (a) 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;
 - (b) Detailed operating procedures for the associated equipment;
- (c) The standards under which such tests were performed, including Technical Standards 2 and 3 if applicable, and the results of such testing that confirms the associated equipment is functioning as represented, signed under penalty of perjury; and
- (d) All materials relating to the results of the registered independent testing laboratory's inspection and certification process that are required under section 14.400.
- 2. [Except as provided in subsection 3, u] Upon written request from the manufacturer or distributor of associated equipment, or as the Chair otherwise deems reasonable, the Chair may, in the Chair's sole and absolute discretion, waive the approval requirement for associated equipment upon such terms and conditions that the Chair may approve or require or refer the associated equipment to the full Board and Commission for consideration of approval.

- 3. [Except as otherwise provided in subsection 4, the Chair 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 game or gaming device through a cashless wagering system until such time as the appropriate regulations for such transfers are adopted.
- 4. The Chair may grant approvals pursuant to subsection 1 or waive such approval requirements pursuant to subsection 2 with respect to the use of a prepaid access instrument in conjunction with an approved cashless wagering system.
- 5.] A manufacturer or distributor of associated equipment who becomes aware that associated equipment approved by the Board no longer complies with the regulations of the Commission or the technical standards adopted pursuant to section 14.050 shall notify the Board in writing within three business days.

<u>14.265 Electronic transfers of money using a debit instrument to a game or gaming device.</u>

1. A licensee shall not allow a patron to use a debit instrument for purposes of making electronic transfers of money from a financial institution directly or indirectly to a game or gaming device unless the transfer uses a cashless wagering system approved by the Chair for such transfer. This subsection only applies to electronic transfers of money at a game or gaming device.

Effective upon adoption by the Nevada Gaming Commission.