

AMENDMENTS TO REGULATION 3

Adopted: 9/21/2023

PURPOSE: In accordance with NRS 463.145, and NRS 463.150, and in furtherance of efforts to remove regulations deemed no longer necessary, to delete Regulation 3.100 regarding employee reports; to amend Regulation 3.110 to remove the designation as a key employee those persons referenced in the employee report required by Regulation 3.100 given the deletion of Regulation 3.100; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

REGULATION 3

LICENSING: QUALIFICATIONS

EFFECTIVE DATE: September 21, 2023

New
~~{Deleted}~~

~~{3.100 Employee report.}~~

~~—1. Definitions. As used in this section:~~

~~—(a) “Compensation” means the value of all salaries, bonuses, and other taxable benefits given to or earned by a person. The term does not include tip income.~~

~~—(b) “Complimentary benefits” are those products, services, and entertainment normally provided in exchange for consideration including, but not limited to, transportation, hotel room nights, and shows given without consideration to a casino customer. The term does not include food and beverage given to a casino patron.~~

~~—(c) “Qualifying employee” of a group I or group II nonrestricted licensee means any person who has been designated to monitor club venues pursuant to sections 5.310 and any person whose responsibility is to directly oversee the entirety of the following types of departments or functions of the licensee’s operations:~~

~~—(1) Accounting.~~

~~—(2) Bingo.~~

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- ~~— (3) Cage and vault.~~
- ~~— (4) Contracts and agreements for entertainment or for the lease of space on the premises of the licensed gaming establishment.~~
- ~~— (5) Credit.~~
- ~~— (6) Collections.~~
- ~~— (7) Entertainment operations.~~
- ~~— (8) Finance.~~
- ~~— (9) Food and beverage.~~
- ~~— (10) Gaming regulatory compliance.~~
- ~~— (11) Hotel operations.~~
- ~~— (12) Human resources.~~
- ~~— (13) Internal audit.~~
- ~~— (14) Internal information technology.~~
- ~~— (15) Keno.~~
- ~~— (16) Marketing.~~
- ~~— (17) Pit operations.~~
- ~~— (18) Poker operations.~~
- ~~— (19) Race book.~~
- ~~— (20) Sales.~~
- ~~— (21) Security.~~
- ~~— (22) Slot operations.~~
- ~~— (23) Sports pool.~~
- ~~— (24) Surveillance.~~
- ~~— (d) “Qualifying employee” of a manufacturer, distributor, slot route operator, inter-casino linked system operator, mobile gaming system operator, operator of interactive gaming, interactive gaming service provider, or pari-mutuel systems operator means any person whose responsibility is to directly oversee the entirety of the following types of departments or functions of the licensee’s operations:~~
 - ~~— (1) Accounting.~~

- ~~—(2) Distribution operations.~~
- ~~—(3) Finance.~~
- ~~—(4) Gaming regulatory compliance.~~
- ~~—(5) Gaming related network operations.~~
- ~~—(6) Human resources.~~
- ~~—(7) Interactive gaming.~~
- ~~—(8) Inter-casino linked system operations.~~
- ~~—(9) Internal Audit.~~
- ~~—(10) Internal information technology.~~
- ~~—(11) Manufacture operations.~~
- ~~—(12) Marketing.~~
- ~~—(13) Mobile gaming system operations.~~
- ~~—(14) Pari-mutuel systems operations.~~
- ~~—(15) Sales.~~
- ~~—(16) Security.~~
- ~~—(17) Slot route operations.~~
- ~~—(18) Surveillance.~~
- ~~—(19) Technology and product development.~~

~~—2. All nonrestricted licensees, including each manufacturer, distributor, interactive gaming service provider, operator of a slot machine route, of a mobile gaming system, of interactive gaming, or of an intercasino linked system, and each pari-mutuel systems operator shall submit an employee report to the Board two times yearly within 30 days after March 31st and within 30 days after September 30th. The report shall identify every person who is, as of March 31st or September 30th, whichever is most recent, a qualifying employee. The report shall also identify, as of March 31st or September 30th, whichever is most recent, the following persons who are not otherwise qualifying employees:~~

- ~~—(a) Any person who directly supervises a qualifying employee.~~
- ~~—(b) Any person who entered into a contractual arrangement, which is reportable pursuant to Regulation 8.130, on behalf of and binding upon the licensee.~~

~~—(c) Any individual who fulfills the function of race book or sports pool manager, race book or sports pool supervisor, or who determines race book or sports pool betting odds, point spreads or betting lines.~~

~~—(d) For a group I nonrestricted licensee:~~

~~—(1) Any person whose compensation exceeds \$400,000, per annum, or the five highest compensated persons, whichever method results in the greater number of persons;~~

~~—(2) Any person who has the authority to determine who, for the licensee, is authorized to grant credit, grant extensions of credit, or approve the write-off or discount of credit instruments; and~~

~~—(3) Any person who has the authority to determine who, for the licensee, is authorized to grant complimentary benefits.~~

~~—(e) For a group II nonrestricted licensee:~~

~~—(1) Any person whose compensation exceeds \$200,000, per annum, or the five highest compensated persons, whichever method results in the greater number of persons;~~

~~—(2) Any person who has the authority to determine who, for the licensee, is authorized to grant credit, grant extensions of credit, or approve the write-off or discount of credit instruments; and~~

~~—(3) Any person who has the authority to determine who, for the licensee, is authorized to grant complimentary benefits.~~

~~—(f) For licensees other than a group I or group II nonrestricted licensee:~~

~~—(1) Any person whose compensation exceeds \$200,000, per annum, or the five highest compensated persons, whichever method results in the greater number of persons.~~

~~—(g) Any person or job position who, upon written notification by the Board Chair or the Chair's designee, is considered to be a reportable position or person for purposes of this regulation. Subsequent to notification, the specific person or job position must appear on all subsequent employee reports, unless notified otherwise by the Board Chair or the Chair's designee or terminated by the licensee.~~

~~—3. The employee report shall include the person's name, job position title, the last four digits of the person's social security number and a complete list of those categories described herein which apply to each person.~~

~~—4. The employee report shall be confidential and may not be disclosed except upon order of the Commission or pursuant to the terms of NRS 463.120.~~

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~~—5. A licensee holding multiple licenses may submit a single comprehensive employee report on the condition that such employee report identifies and designates for which license a person is included in the employee report.~~

~~—6. Upon written request and good cause shown by a licensee, the Board Chair or the Chair's designee may waive one or more of the requirements of this section. If a waiver is granted, the Board Chair or the Chair's designee may impose alternative employee report requirements.]~~

3.110 Key employee.

1. Any executive, employee, or agent of a gaming licensee having the power to exercise a significant influence over decisions concerning any part of the operation of a gaming licensee ~~[or who is listed or should be listed in the annual employee report required by Regulation 3.100]~~ is a key employee.

2. [No Change]

3. [No Change]

4. [No Change]