

AMENDMENTS TO REGULATION 5.230

Adopted: 9/21/2023

PURPOSE: Pursuant to NRS 463.150 and NRS 463.673, to amend Regulation 5.230 regarding the registration of hosting centers to align the hosting center registration requirements with other types of registrations as provided in Regulation 4.200 and make necessary deletions and modifications to Regulation 5.230 as part of incorporating hosting center registration requirements into Regulation 4.200; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

REGULATION 5

OPERATION OF GAMING ESTABLISHMENTS

EFFECTIVE DATE: September 21, 2023

New
~~{Deleted}~~

5.230 Hosting center; registration required.

1. Before associated equipment, cashless wagering systems, games, gaming devices, race book operations, or sports pool operations, in whole or in part, can be housed at a hosting center, the hosting center, ~~{along with all owners and operators of the hosting center, and persons having significant involvement with the hosting center as determined by the Commission, including but not limited to key employees, must register with the Board pursuant to this regulation. Such registration does not become effective until the registration is approved by the Board Chair or the Chair's designee in writing. A person or entity whose request for registration is not approved by the Board Chair or the Chair's designee may appeal the decision using the administrative appeal process found in sections 4.185 through 4.195 of these regulations}~~ *including any person having significant control over*

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the operations of the hosting center, as determined by the Board Chair, that may include without limitation, controlling shareholders, officers, directors, or other principals, must register with the Board pursuant to this section and Regulation 4.200. A registration required by this subsection is not effective until the Board Chair, or the Chair's designee, notifies the applicant for registration in writing that the applicant is registered with the Board.

2. A hosting center registered pursuant to this section shall not have access to the software, applications, or data contained or transacted on any associated equipment, cashless wagering system, game, gaming device, race book operation, or sports pool operation of the gaming licensee housed at the hosting center's facility.

3. *Each application for registration as a hosting center shall include a statement, subscribed by the applicant, that the hosting center is in compliance, and agrees to remain in compliance,* ~~[A hosting center registered pursuant to this section shall comply]~~ with all applicable standards of the International Organization for Standardization, including, without limit, ISO/IEC 27001, 27002, and 27017, or the equivalent.

4. ~~[Registration required by subsection 1, shall be made, processed, and determined using such forms as the Chair may require or approve and must be accompanied and supplemented by such documents and information as may be specified or required. The information requested shall include, but not be limited to, the following:~~

~~—(a) For the registration of natural persons:~~

~~—(1) Full name, including aliases, past and present;~~

~~—(2) Residential address or addresses for the last five years;~~

~~—(3) Contact information, including phone numbers and email addresses;~~

~~—(4) Employment history, both current and for the past ten years;~~

- ~~—— (5) Date and place of birth;~~
- ~~—— (6) Social Security Number;~~
- ~~—— (7) Full legal name of the hosting center to which the person's registration relates;~~
- ~~—— (8) Description of the person's relationship with the relevant hosting center, and the person's duties or responsibilities under that relationship;~~
- ~~—— (9) List and description of any professional licenses that the person has held, past and present, and any past or current disciplinary action against those licenses;~~
- ~~—— (10) List and description of any arrests or convictions of the person by law enforcement involving a felony or crime of moral turpitude;~~
- ~~—— (11) List and description of any incidents in which the person has, either individually or part of a group, been refused a gaming license or otherwise been found unsuitable by a regulatory body;~~
- ~~—— (b) For the registration of business organizations or associations:~~
 - ~~—— (1) Legal name, address, and contact information of every business organization or association under which the entity does business;~~
 - ~~—— (2) Date and jurisdiction under which each business organization or association provided in subparagraph (1) is registered as a legal entity;~~
 - ~~—— (3) Tax identification number of each business organization or association provided in subparagraph (1);~~
 - ~~—— (4) List of all affiliates of the business organization or association as defined in NRS 463.0133;~~
 - ~~—— (5) Organization chart depicting the business organization's or association's management structure;~~
 - ~~—— (6) Organization chart depicting the business organization's or association's ownership structure, including, but not limited to any parent and affiliated entities;~~

~~—— (7) List of the names of all officers, directors, managers, and key employees of the business organization or association;~~

~~—— (8) Where the business organization or association is not the hosting center itself, a description of the business organization's or association's relationship to the relevant hosting center, and of what duties or responsibilities it will have under that relationship;~~

~~—— (9) List and description of any professional licenses that the business organization or association has held, past and present, and any past or current disciplinary action against those licenses;~~

~~—— (10) List and description of any criminal charges brought against the business organization or association involving a felony or crime of moral turpitude; and~~

~~—— (11) List and description of any incidents where the business organization or association has, either individually or as part of a group, been refused a gaming license or otherwise been found unsuitable by a regulatory body;~~

~~—— (e) For e]~~Each *applicant for registration as a* hosting center [provide] *shall provide* a description of the facility and services available, *including without limitation, a description of its location, its available security measures, its disaster recovery capabilities, and such other information as the Board Chair, or the Chair's designee, may require.* [The following descriptions must be provided:

~~—— (1) Location description including:~~

~~—— (I) Floor plan;~~

~~—— (II) Reliability of power and telecommunications;~~

~~—— (III) Bandwidth availability;~~

~~—— (IV) Compliance of server room to international standards;~~

~~—— (V) Redundancy of power and telecommunications feeds;~~

~~—— (VI) Offline power capabilities (e.g., UPS and generator power);~~

~~——(VII) Refueling requirements of generators and fuel acquisition arrangements;~~

~~——(VIII) Fire suppression system(s);~~

~~——(IX) Temperature and humidity control system(s);~~

~~——(X) Procedures for switching to offline power; and~~

~~——(2) Security description including:~~

~~——(I) Perimeter boundary fences;~~

~~——(II) Use of security guards (employees or contracted);~~

~~——(III) Access controls;~~

~~——(IV) Alarm systems;~~

~~——(V) Video surveillance coverage and storage;~~

~~——(VI) Monitoring of personnel access to sensitive areas;~~

~~——(VII) Anti-surveillance measures;~~

~~——(VIII) Tenants; and~~

~~——(IX) Contractors in use for services such as cleaning and maintenance.~~

~~——(3) Disaster recovery capabilities, testing, and auditing.~~

~~——(4) Internal Control Procedures including:~~

~~——(I) Visitor access procedures and controls;~~

~~——(II) Maintenance and audit of access logs;~~

~~——(III) Alarm procedures for technical and security response;~~

~~——(IV) Due diligence performed on contractors, tenants, and staff;~~

~~——(V) Emergency access procedures; and~~

~~——(VI) Any other relevant procedures.~~

~~5. Any request for registration pursuant to subsection 1 shall contain a statement subscribed by the applicant for registration that:~~

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~~—(a) The information being provided to the Board is accurate and complete;~~

~~—(b) That the applicant for registration agrees to cooperate with requests, inquiries, or investigations of the Board and Commission;~~

~~—(c) The applicant for registration acknowledges that the Commission may demand the person or entity to submit an application for finding of suitability, and that a failure to submit such an application within 30 days of the demand may constitute grounds for a finding of unsuitability by the Commission; and~~

~~—(d) That the hosting center is in compliance with, and will continue to remain in compliance with, all applicable standards of the International Organization for Standardization, including, without limit, ISO/IEC 27001, 27002, and 27017, or the equivalent.~~

~~—6. Any applications for registration required under this section shall be prepared and submitted by the relevant hosting center.~~

~~—7. By the 15th day of each January, each registered hosting center shall inform the Board in writing of any changes in the information provided in its application for registration, and the applications for registration of any owner, operator, or person having significant involvement with the hosting center, or provide the Board with an affirmative statement indicating that there have been no changes to that information. If such information or statement is not provided to the Board within ninety days of January 15th of each year, the hosting center's registration, and the registrations of each owner, operator, and person having significant involvement with the hosting center will lapse. If any registrations lapse pursuant to this subsection, the applicable registrants must reapply for registration with the Board in order to reinstate the person's or entity's registered status.~~

~~—8.] 5. Notwithstanding Regulation 4.200 and except as otherwise provided herein, a hosting center registration shall not expire or be subject to renewal. However, any person registered as a person having significant control over the operations of such registered hosting center shall be subject to~~

the provisions of subsection 5 of Regulation 4.200. The failure of a person having significant control over the operations of a registered hosting center to renew their registration in accordance with subsection 5 of Regulation 4.200 shall result in the expiration of both their registration and the hosting center registration.

6. The Board Chair, or the Chair's designee, in his or her sole and absolute discretion may, upon receipt of a written request~~;~~:

~~—(a) Waive the registration requirements of paragraphs (a) and (b) of subsection 3 for an individual or entity that currently holds a nonrestricted gaming license, or an affiliate thereof that has been registered or found suitable by the Commission; or~~

~~—(b) W], w~~ waive the ~~[registration]~~ requirements of ~~[paragraph (c) of]~~ subsection ~~[3] 4~~ if the hosting center can demonstrate, to the Chair's or the Chair's designee's satisfaction, that the disclosure to the Board of certain information required under that subsection would hinder operations or pose a hardship due to contractual obligations.