

REGULATION 5: OPERATION OF GAMING ESTABLISHMENTS

PROPOSED AMENDMENTS TO REGULATION 5.240(2)

PURPOSE: In accordance with NRS 463.145, NRS 463.150 and NRS 463.750, to amend Regulation 5 to define additional types of service providers and include such persons within the overall definition of “service provider” requiring them to be licensed; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

(Draft Date September 10, 2012)

~~Deleted~~/Added Language

5.240 Service Providers.

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2. Definitions.

(a) “Chairman” means the chairman of the board or his designee.

(b) **“Assumes responsibility” means to acquire control over, or ownership of, a person, or to acquire the authority, by contract or otherwise, to direct a person to make corrections, modifications, or changes to any aspect of the service or services provided by the person, including corrections, modifications or changes to software or hardware.**

(c) “Geolocation service provider” means a person who identifies, or provides information for the identification of, the geographic location of individuals to a licensed operator of interactive gaming, licensed interactive gaming service provider, or licensed manufacturer of interactive gaming systems for purposes of interactive gaming. This definition does not include:

(i) A person who otherwise generally provides such information for purposes other than interactive gaming;

(ii) A licensed operator of interactive gaming who obtains such information for its own use;

(iii) A licensed interactive gaming service provider other than a marketing affiliate, or licensed manufacturer of interactive gaming systems who provides such information; or

(iv) A person who provides such information to a licensed operator of interactive gaming, licensed interactive gaming service provider, or licensed manufacturer of interactive gaming systems so long as the licensed operator of interactive gaming, licensed interactive gaming service provider, or licensed manufacturer of interactive gaming systems assumes responsibility for the information provided.

(d) “Information technology service provider” means a person who, on behalf of another licensee, provides management, support, security, or disaster recovery services for board regulated hardware or software.

~~[(e)]~~(e) “Marketing affiliate” is a type of interactive gaming service provider and is:

(i) A person who provides information regarding persons to an operator of interactive gaming via a database or customer list; or

(ii) A person who provides the trademarks, trade names, service marks or similar intellectual property under which an operator of interactive gaming identifies its interactive gaming system to patrons.

(f) “Patron identification service provider” means a person who verifies, or provides information for the verification of, the identification of individuals to a licensed operator of interactive gaming, licensed interactive gaming service provider, or licensed manufacturer of interactive gaming systems for purposes of interactive gaming. This definition does not include:

(i) A person who otherwise generally provides such information for purposes other than interactive gaming;

(ii) A licensed operator of interactive gaming who obtains such information for its own use;

(iii) A licensed interactive gaming service provider other than a marketing affiliate, or licensed manufacturer of interactive gaming systems who provides such information; or

(iv) A person who provides such information to a licensed operator of interactive gaming, licensed interactive gaming service provider, or licensed manufacturer of interactive gaming systems so long as the licensed operator of interactive gaming, licensed interactive gaming service provider, or licensed manufacturer of interactive gaming systems assumes responsibility for the information provided.

(g) “Payment processing service provider” means a person who directly facilitates the depositing of funds into or withdrawing of funds from interactive gaming accounts for a licensed operator of interactive gaming or licensed interactive gaming service provider. This definition does not include:

(i) A licensed operator of interactive gaming who provides such services for its patrons;

(ii) A licensed interactive gaming service provider other than a marketing affiliate who provides such services; or

(iii) A person who provides such services to a licensed operator of interactive gaming or licensed interactive gaming service provider, so long as the licensed operator of interactive gaming or licensed interactive gaming service provider assumes responsibility for the service provided.

~~[(h)]~~(h) “Service provider” means a person who:

(i) Acts on behalf of another licensed person who conducts nonrestricted gaming operations, and who assists, manages, administers or controls wagers or games, or maintains or operates the software or hardware of games on behalf of

such a licensed person, and is authorized to share in the revenue from games without being licensed to conduct gaming at an establishment;

(ii) Is an interactive gaming service provider as defined pursuant to Regulation 5A.020;

(iii) Is a cash access and wagering instrument service provider;

(iv) Is an information technology service provider; ~~[or]~~

(v) Acts on behalf of another licensed person who conducts nonrestricted gaming operations where the services provided include those functions that fall within the definition of "gaming employee" pursuant to NRS 463.0157;

(vi) Is a geolocation service provider;

(vii) Is a patron identification service provider; or

(viii) Is a payment processing service provider.

→ A service provider granted a license by the commission is a licensee.