

## AMENDMENTS TO REGULATION 6.150

**PURPOSE:** To establish that the chairman of the Board may adopt or revise a bankroll formula that specifies the minimum bankroll requirements applicable to restricted gaming licensees, nonrestricted gaming licensees and persons licensed as an operator of an inter-casino linked system or as an operator of a slot machine route, along with instructions for computing available bankroll; to establish that at least 30 days before adopting or revising the bankroll formula, the chairman shall (a) publish notice of the proposed adoption or revisions, together with the effective date thereof, once a day for seven (7) consecutive days in a newspaper of daily general circulation, one of which is published in Reno, Nevada, and the other published in Las Vegas, Nevada, (b) mail a copy of the proposed bankroll formula or revisions, together with the effective date thereof, to each restricted gaming licensee, nonrestricted gaming licensee, operator of an inter-casino linked system, operator of a slot machine route, and every other person who has filed a request therefore with the board or commission; and (c) provide a copy of the proposed bankroll formula or revisions and their effective date to the commission; to establish that any affected licensee may object to the proposed bankroll formula or revisions, by filing a request for a review of the chairman's administrative decision, pursuant to Regulation 4.190 and that if no requests for review are filed with the board, then the bankroll formula or revisions shall become effective on the date set by the chairman; to establish that each restricted gaming licensee, nonrestricted gaming licensee and each person licensed as an operator of an inter-casino linked system or as an operator of a slot machine route shall maintain in accordance with the bankroll formula adopted by the chairman, cash or cash equivalents in an amount sufficient to reasonably protect the licensee's or operator's patrons against defaults in gaming debts owed by the licensee or operator; to establish that except in the case restricted locations, if at any time the licensee's or operator's available cash or cash equivalents should be less than the amount required, the licensee or operator shall immediately notify the board of this deficiency and shall also detail the means by which the licensee shall comply with the minimum bankroll requirements; to establish that the failure to maintain the minimum bankroll, or a higher bankroll as required by the chairman, or failure to notify the board as required, is an unsuitable method of operation; to establish that records reflecting accurate, monthly computations of bankroll requirements and actual bankroll available shall be maintained in accordance with Regulation 6.060; to establish that nothing within the new regulation or a bankroll formula adopted pursuant to it alters, amends, supersedes or removes any condition of any licensee or approval imposed on any licensee by the commission; to establish that the chairman, for good cause shown

by the licensee, may waive one or more of the requirements or provisions of the minimum bankroll requirements and that the chairman is granted the authority to revoke any waiver that may have been granted for any cause deemed reasonable; to repeal Regulation 5.130 in its entirety and incorporate bankroll requirements for restricted gaming licensees into Regulation 6.150; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

## **REGULATION 6 ACCOUNTING REGULATIONS**

(Draft date: 01/11/06)

1. The chairman may adopt or revise a bankroll formula that specifies the minimum bankroll requirements applicable to restricted gaming licensees, nonrestricted gaming licensees and persons licensed as an operator of an inter-casino linked system or as an operator of a slot machine route, along with instructions for computing available bankroll.

2. At least 30 days before adopting or revising the bankroll formula, the chairman shall:

(a) Publish notice of the proposed adoption or revisions, together with the effective date thereof, once a day for seven (7) consecutive days in a newspaper of daily general circulation, one of which is published in Reno, Nevada, and the other published in Las Vegas, Nevada;

(b) Mail a copy of the proposed bankroll formula or revisions, together with the effective date thereof, to each restricted gaming licensee, nonrestricted gaming licensee, operator of an inter-casino linked system, operator of a slot machine route, and every other person who has filed a request therefore with the board or commission; and

(c) Provide a copy of the proposed bankroll formula or revisions and their effective date to the commission.

3. Any affected licensee may object to the proposed bankroll formula or revisions, by filing a request for a review of the chairman's administrative decision, pursuant to Regulation 4.190. If any licensee files a request for review, then the effective date of the proposed bankroll formula or revisions will be stayed pending action by the board, and if the board's decision is appealed pursuant to Regulation 4.195, pending action by the commission. If no requests for review are filed with the board, then the bankroll formula or revisions shall become effective on the date set by the chairman.

4. Any licensee may propose the repeal or revision of any existing bankroll formula by submitting a request to the chairman, who shall consider the request at his discretion. If such a request is approved by the chairman, then the proposed repeal or revision must be processed in accordance with subsections 2 and 3. If such a request is denied by the chairman, then the licensee may file the request for a review as an administrative approval decision with the board pursuant to Regulation 4.190, and the commission, pursuant to Regulation 4.195.

5. Each restricted gaming licensee, nonrestricted gaming licensee and each person licensed as an operator of an inter-casino linked system or as an operator of a slot machine route shall maintain in accordance with the bankroll formula adopted by the chairman pursuant to the requirements of this section, cash or cash equivalents in an amount sufficient to reasonably protect the licensee's or operator's patrons against defaults in gaming debts owed by the licensee or operator. If at any time the licensee's or operator's available cash or cash equivalents should be less than the amount required by this section, the licensee or operator shall immediately notify the board of this deficiency and shall also detail the means by which the licensee shall comply with the minimum bankroll requirements. Failure to maintain the minimum bankroll required by this section, or a higher bankroll as required by the chairman pursuant to this section, or failure to notify the board as required by this section, is an unsuitable method of operation.

6. Records reflecting accurate, monthly computations of bankroll requirements and actual bankroll available shall be maintained by nonrestricted gaming licensees, operators of inter-casino linked systems and operators of slot routes in accordance with Regulation 6.060. The chairman, in his sole discretion, may require more frequent computations, require additional recordkeeping not specified in the formula, or require the licensee to maintain a bankroll higher than is or would otherwise be required by the bankroll formula, or require recordkeeping by restricted gaming licensees.

7. Neither this section nor a bankroll formula adopted pursuant to it alters, amends, supersedes or removes any condition of any licensee or approval imposed on any licensee by the commission.

8. The chairman, for good cause shown by the licensee, may waive one or more of the requirements or provisions of the minimum bankroll requirements.

9. The chairman is hereby granted the authority to revoke any waiver granted pursuant to this section for any cause deemed reasonable. Notice of the revocation of a waiver shall be deemed delivered and effective when personally served upon the licensee, or if personal service is impossible or impractical, when deposited, postage prepaid, in the United States mail, to the licensee at the address of the establishment as shown in the records of the commission. If a notice revoking or suspending the waiver of a bankroll requirement is issued, the affected licensee may request that the decision of the chairman be reviewed by the board and commission pursuant to NGC Regulation 4.185 through 4.195, inclusive.

(Effective date: 03/23/06)