

NEVADA GAMING COMMISSION

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> TONY ALAMO, M.D., Chairman JOHN T. MORAN JR., Member RANDOLPH J. TOWNSEND, Member HON. PHILIP M. PRO (RET.), Member DEBORAH J. FUETSCH. Member

NOTICE

Notice #2017-26 Issuer: Executive Secretary

DATE: April 17, 2017

TO: ALL LICENSEES AND OTHER INTERESTED PERSONS

SUBJECT: 2015-11R: NOTICE OF HEARING FOR CONSIDERATION OF AMENDMENTS TO NEVADA

GAMING COMMISSION REGULATIONS 1, 5, 5A, 22 AND 26C REGARDING, WITHOUT

LIMITATION, WAGERING ACCOUNTS.

The Nevada Gaming Commission (NGC) will hold a public hearing for the purpose of considering adoption, amendment or repeal of the regulation(s) stated below.

The public hearing will be held on or about the hour of 10:00 a.m. on May 18, 2017 at the following locations:

Gaming Control Board Office
Grant Sawyer Building
Hearing Room 2450
555 East Washington Avenue
Las Vegas, Nevada 89101

and via video conference at the Gaming Control Board Office 1919 College Parkway Carson City, Nevada 89706

2015-11R: AMENDMENTS TO NEVADA GAMING COMMISSION REGULATION 1 REGARDING, WITHOUT LIMITATION, DEFINITION OF WAGERING VOUCHER.

For Possible Action

<u>PURPOSE</u>: In accordance with NRS 463.145, NRS 463.150, and S.B. 9 passed during the 2015 Legislative Session: to amend the definition of "wagering voucher" in regulation 1.190 to include "or digital representative thereof;" and to take such additional action as may be necessary and proper to effectuate these stated purposes.

2015-11R: AMENDMENTS TO NEVADA GAMING COMMISSION REGULATION 5 REGARDING, WITHOUT LIMITATION, WAGERING ACCOUNTS FOR ALL FORMS OF WAGERING.

For Possible Action

PURPOSE: In accordance with NRS 463.145, NRS 463.150, and S.B. 9 passed during the 2015 Legislative Session: to amend regulation 5 to create a comprehensive framework for wagering accounts for all forms of wagering, including without limitation: 1) removing references in Regulation 5.220 to wagering accounts that are specific to mobile gaming systems; 2) creating definitions; 3) establishing the scope of us of wagering accounts; 4) creating provisions that allow a licensed cash access and wagering instrument service provider or licensed manufacturer to operate and maintain wagering accounts on behalf of a licensee; 5) establishing the requirements for the creating, accessing, and use of wagering accounts; 6) provisions pertaining to the protection of wagering accounts from unauthorized access; 7) provisions requiring patrons to personally appear before an employee of the licensee at the licensed gaming establishment of the licensee or its affiliate to present an identification credential before the patron is allowed to make any wager using the wagering account; 8) establishing the requirements for making deposits, withdrawals, credits, and debits; 9) provisions requiring the suspension of a wagering account if there has been no wagers for 16 consecutive months; 10) establish requirements for record keeping; 11) provisions pertaining to responsible gambling options; 12) provisions pertaining to comprehensive rules governing wagering account transactions; 13) establishing reserve requirements; 14) provisions allowing the chairman to waive, for good cause, one or more of the reserve requirements and impose alternative requirements; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

2015-11R: AMENDMENTS TO NEVADA GAMING COMMISSION REGULATION 5A REGARDING, WITHOUT LIMITATION, WAGERING ACCOUNTS FOR INTERACTIVE GAMING.

For Possible Action

PURPOSE: In accordance with NRS 463.145, NRS 463.150, and S.B. 9 passed during the 2015 Legislative Session and as part of the creation of a comprehensive framework for wagering accounts through new Regulation 5.225: 1) to amend the definition of "interactive gaming account;" 2) to remove regulatory provisions that are otherwise now addressed in Regulation 5.225; 3) to provide provisions clarifying the interplay between Regulation 5A and Regulation 5.225; 4) to specify that an operator shall not allow the use of a wagering account for forms of wagering other than interactive gaming unless the establishment and use of the wagering account otherwise meets all of the requirements of regulation 5.225 and administrative approval has been granted by the chairman; and 5) to take such additional action as may be necessary and proper to effectuate these stated purposes.

2015-11R: AMENDMENTS TO NEVADA GAMING COMMISSION REGULATION 22 REGARDING, WITHOUT LIMITATION, WAGERING ACCOUNTS FOR RACE BOOKS AND SPORTS POOLS.

For Possible Action

PURPOSE: In accordance with NRS 463.145, NRS 463.150, and S.B. 9 passed during the 2015 Legislative Session and as part of the creation of a comprehensive framework for wagering accounts through new Regulation 5.225, to amend Regulation 22 to include without limitation: 1) to amend the definitions of "secure personal identification" and "wagering account;" 2) to remove regulatory provisions that are otherwise addressed in Regulation 5.225; 3) to provide provisions clarifying the interplay between Regulation 22 and Regulation 5.225; 4) to clarify that a book that knows or should know that the outcome of an event has already been determined shall not accept money or its equivalent ostensibly as a wager upon such an event; 5) to clarify that an electronic signature of the person accepting or approving a wager in a wagering multiple transaction log is acceptable; 6) to specify that a book may withhold payment of a winning wager if the patron refuses to supply certain information; 7) to specify that parlay card rules must be submitted to the chairman for approval; 8) to provide that a book must register patrons and create wagering accounts in accordance with Regulation 5.225 and to provide additional registration requirements; 9) to clarify requirements for and provide additional requirements related to wagering accounts for business entity patrons; 10) to clarify requirements related to books accepting wagers from another book; 11) to clarify that a book shall not allow the use of a wagering account for forms of wagering other than sports wagering, nonpari-mutuel race wagering, or other event wagering, unless the establishment and use of the wagering account otherwise meets all of the requirements of Regulation 5.225 and administrative approval has been granted by the chairman; 12) to clarify that a book may accept wagering activity from a business entity acting through its designated individuals and to require a book that accepts wagers from business entities to implement policies and procedures designed to ensure that their wagering accounts are used only to place race book or sports pool wagers; 13) to provide that deposits, withdrawals, credits and debits to wagering accounts shall be made in accordance with Regulation 5.225; and 14) to take such additional action as may be necessary and proper to effectuate these stated purposes.

2015-11R: AMENDMENTS TO NEVADA GAMING COMMISSION REGULATION 26C REGARDING, WITHOUT LIMITATION, WAGERING ACCOUNTS FOR OFF-TRACK PARI-MUTUEL HORSE RACING.

For Possible Action

PURPOSE: In accordance with NRS 463.145, NRS 463.150, and S.B. 9 passed during the 2015 Legislative Session and as part of the creation of a comprehensive framework for wagering accounts through new Regulation 5.225, to amend Regulation 26C to include without limitation: 1) to amend the definitions of "secure personal identification" and "wagering account;" 2) to remove regulatory provisions that are otherwise now addressed in Regulation 5.225; 3) to provide provisions clarifying the interplay between Regulation 26C and Regulation 5.225; 4) to clarify that a book that knows or should know that the outcome of an event has already been determined shall not accept money or its equivalent ostensibly as a wager upon such an event; 5) to amend 26C.100 related to lay-off bets to provide that a book may place or accept wagers from another book if the accepting book does not have common control (as defined in Regulation 16.010(3)) with the placing book. A book that is permitted to place a layoff wager shall inform the book accepting the wager that the wager is being placed by a book and shall disclose its identity; 6) to establish that a race book may establish wagering accounts in accordance with Regulation 5.225 and Regulation 26C and establishing the scope of use of such wagering accounts; 7) to provide that a book must register patrons and create wagering accounts in accordance with Regulation 5.225

and to provide additional requirements; 8) to clarify requirements for and provide additional requirements related to wagering accounts for business entity patrons; 9) to clarify that a book shall not allow the use of a wagering account for forms of wagering other than off-track pari-mutuel horse race wagering, unless the establishment and use of the wagering account otherwise meets all of the requirements of regulation 5.225 and administrative approval has been granted by the chairman; and 10) to clarify that a book may accept wagering activity from a business entity acting through its designated individuals and to require a book that accepts wagers from business entities to implement policies and procedures designed to ensure that business entities' wagering accounts are used only to place book wagers; 11) to provide that deposits, withdrawals, credits and debits to wagering accounts shall be made in accordance with Regulation 5.225; and 12) to take such additional action as may be necessary and proper to effectuate these stated purposes.

The proposed regulation changes will be considered by the Commission in accordance with the provisions of NRS 463.145, which provides that on the date and at the time and place designated, any interested person, or their duly authorized representative, or both, shall be afforded the opportunity to present statements, arguments or contentions in writing, with or without the opportunity to present the same orally.

These items will be heard by the Nevada Gaming Commission at the May 18, 2017 meeting, and may be continued and heard at subsequent meetings of the Nevada Gaming Commission as required to effectuate the above-stated purposes.

The proposed regulation language will be posted on the Nevada Gaming Control Board website "Regulation Activity" page at: http://gaming.nv.gov/index.aspx?page=52. Any questions should be directed to Elijah Tredup at (702) 486-2137 or via email at etredup@gcb.nv.gov.