

NEVADA GAMING COMMISSION

1919 College Parkway, P.O. Box 8003 Carson City, Nevada 89702 (775) 684-7750

> HON. JENNIFER TOGLIATTI (RET), Chair ROSA SOLIS-RAINEY, Member STEVEN COHEN, Member OGONNA M. BROWN, Member BEN KIECKHEFER, Member

NOTICE

Notice #2022-17 Issuer: Executive Secretary

DATE: March 18, 2022

TO: ALL LICENSEES AND OTHER INTERESTED PERSONS

SUBJECT: 2021-03RP: NOTICE OF HEARING FOR CONSIDERATION OF PROPOSED

AMENDMENTS TO NEVADA GAMING COMMISSION REGULATIONS REGARDING, WITHOUT LIMITATION, HOSTING CENTERS, CLOUD COMPUTING SERVICES,

AND CLOUD COMPUTING SERVICE PROVIDERS.

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 at or about the hour of 10:00 a.m. on April 21, 2022 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

For Possible Action

2021-03RP: POSSIBLE AMENDMENTS TO NEVADA GAMING COMMISSION REGULATIONS REGARDING, WITHOUT LIMITATION, HOSTING CENTERS, CLOUD COMPUTING SERVICES, AND CLOUD COMPUTING SERVICE PROVIDERS.

PURPOSE: To amend the Nevada Gaming Commission ("NGC") Regulations to provide for the use of cloud computing services by Nevada gaming licensees and to permit registered hosting centers to be located outside Nevada; To amend NGC Regulation 1.137 to remove the requirement that hosting centers be located in Nevada and to include associated equipment in the list of items that can be housed in a hosting center; To amend NGC Regulation 5.225(4)(a) to remove the requirement that the wagering accounts be located in Nevada; To amend NGC Regulation 5.230(1) to include associated equipment; To add a new section (NGC Regulation 5.2305) to implement limits and requirements relating to registered hosting centers located outside of Nevada, and providing a right to appeal; To amend NGC Regulation 5.235 to add a due diligence requirement for gaming licensee's wanting to utilize a hosting center; To amend NGC Regulation 5.240(2) to provide definitions of "cloud computing services" and "cloud computing service provider" and to add "cloud computing service provider" to the definition of "service provider"; To amend NGC Regulation 5.240(3) and (5) to include cloud computing services and to clarify the exemption for licensed manufacturers and registered manufacturers of associated equipment from having to register as a service provider; To amend NGC Regulation 5.240(17) to clarify that the provision only applies to fees and taxes the service provider is required to pay under Chapter 463 of NRS; To add a new section (NGC Regulation 5.242) to provide the requirements specific to the utilization of cloud computing services, including, but not limited to location of equipment, approval process, security and other control requirements, waiver provision, right to appeal, and ongoing reporting requirements; To make various non-substantive amendments to conform with current regulation formatting standards; And to take such additional actions as may be necessary and proper to effectuate this stated purpose. All documents and material regarding this item are available at: http://gaming.nv.gov/index.aspx?page=52.

The proposed regulation changes will be considered by the NGC 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 NGC at the April 21, 2022 meeting, and may be continued and heard at subsequent meetings of the NGC 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 the Senior Research Specialist at ilangendorf@qcb.nv.gov.