

## REGULATION 5A

### OPERATION OF INTERACTIVE GAMING

#### PROPOSED AMENDMENTS TO REGULATION 5A

**PURPOSE:** In accordance with NRS 463.145, NRS 463.150, and S.B. 46 passed during the 2019 Legislative Session, to amend Regulation 5A.220 to incorporate provisions removed from Regulation 5.240 applicable to interactive gaming service providers; to include findings relative to interactive gaming service providers; to provide for licensing of interactive gaming service providers; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

(As Adopted: 10/24/19)

*New*  
~~[Deleted]~~

#### **5A.220 Interactive Gaming Service Providers.**

1. *Findings. The Commission hereby finds that interactive gaming service providers are secure and reliable, do not pose a threat to the integrity of gaming, and are consistent with the public policy of this State pursuant to NRS 463.0129.*

2. An interactive gaming service provider that acts on behalf of an operator to perform the services of an interactive gaming service provider shall be subject to the provisions of this regulation applicable to such services to the same extent as the operator. An operator continues to have an obligation to ensure, and remains responsible for compliance with this regulation regardless of its use of an interactive gaming service provider.

~~[2.]~~ 3. A person may act as an interactive gaming service provider only if that person holds a license specifically permitting the person to act as an interactive gaming service provider. Once licensed, an interactive gaming service provider may act on behalf of one or more operators.

~~[3.]~~ *4. License Required; Applications.*

(a) An operator may only use the services of an *interactive gaming* service provider that is licensed *as such* by the Commission ~~[as an interactive gaming service provider]~~.

(b) *Applications for an interactive gaming service provider license shall be made, processed, and determined in the same manner as applications for nonrestricted gaming licenses, using such forms as the Chair may require or approve.*

(c) *An applicant for an interactive gaming service provider's license shall have the burden of showing that its operations are secure and reliable.*

~~[4.]~~ 5. License fees.

(a) Before the Commission issues an initial license or renews a license for an interactive gaming service provider, the interactive gaming service provider shall pay a license fee of \$1,000.

(b) All interactive gaming service provider licenses shall be issued for the calendar year beginning on January 1 and expiring on December 31. If the operation is continuing, the fee prescribed by subsection (a) shall be due on or before December 31 of the ensuing calendar year. Regardless of the date of application or issuance of the license, the fee charged and collected under this section is the full annual fee.

~~[5.]~~ 6. Any employee of an interactive gaming service provider whose duties include the operational or supervisory control of the interactive gaming system or the games that are part of the interactive gaming system are subject to the provisions of NRS 463.335 and 463.337 and Regulations 5.100 through 5.109 to the same extent as gaming employees.

~~[6.]~~ 7. Interactive gaming service providers holding a license issued by the Commission are subject to the provisions of NRS 463.140. It shall be an unsuitable method of operation for an interactive gaming service provider holding a license issued by the Commission to deny any Board or Commission member or agent, upon proper and lawful demand,

access to, inspection or disclosure of any portion or aspect of their operations.

~~[7.]~~ 8. An interactive gaming service provider shall be liable to the licensee on whose behalf the services are provided for the interactive gaming service provider's proportionate share of the fees and taxes paid by the licensee.