

ADDENDUM
TO THE GCB RECOMMEND DRAFT OF THE
PROPOSED AMENDMENTS TO
NEVADA GAMING COMMISSION REGULATIONS
5, 20, 21, 22, 26A, 26B, AND 26C

Addendum Dated: 12/08/2025

Addendum's Purpose Statement: To Amend Nevada Gaming Commission ("NGC") Regulation 5.240 to add a provision addressing the conversion of existing pari-mutuel system operator licenses to pari-mutuel system service provider registrations; To amend NGC Regulation 22.080(3) to clarify to which rules the subsection is referring; And to take such additional actions as may be necessary and proper to effectuate this stated purpose.

Addendum's Effective Date: January 1, 2026.

EXPLANATION: Matter in *blue italics* is new language; matter in *green italics underlined* is additional new language to be added to the GCB recommended draft dated 12/4/2025; matter between ~~red brackets with single strikethrough~~ is material to be omitted; and matter between ~~orange brackets, underlined, with a single strikethrough~~ is additional material to be omitted in the GCB recommended draft dated 12/4/2025.

REGULATION 5
OPERATION OF GAMING ESTABLISHMENTS

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5.240 Service Providers.

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

2. Definitions.

(a) "Chair" means the Chair of the Nevada Gaming Control Board or the Chair's designee.

(b) "Cloud computing services":

(1) Consist of the following as defined by the National Institute of Standards and Technology in NIST SP 800-145 and as further explained in NIST SP 500-292:

- (I) Software as a Service;
- (II) Platform as a Service; or
- (III) Infrastructure as a Service.

(2) The services described in subparagraph (1) do not include the performance of any service, action, transaction, or operation that would otherwise require a gaming license or registration pursuant to Chapter 463 of NRS or these regulations, other than a registration as a cloud computing service provider.

(c) “Cloud computing service provider”:

(1) Means a person who, on behalf of a licensee, provides cloud computing services by acquiring and maintaining the computing infrastructure and software necessary to provide cloud computing services for associated equipment, cashless wagering systems, games, gaming devices, race book operations, or sports pool operations, in whole or in part, and otherwise in accordance with paragraph (4) of section 5.225 and section 5.242 of these regulations.

(2) The services described in subparagraph (1) do not include the performance of any service, action, transaction, or operation that would otherwise require a gaming license or other registration pursuant to Chapter 463 of NRS or these regulations.

(d) “Information technology service provider” means a person who, on behalf of a licensee, provides management, support, security, or disaster recovery services for games, gaming devices, or associated equipment.

(e) *“Pari-mutuel system service provider” means an “operator of a system” as that term is defined in subsection 7 of NRS 464.005.*

(f) “Service provider” means a person who *is*:

(1) ~~Is a cash access and wagering instrument service provider as defined in NRS 463.01395;~~

~~{(2) Is an}~~ *An* information technology service provider; ~~{or}~~

~~{(3) Is a}~~ *(2) A* cloud computing service provider; *or*

(3) A pari-mutuel system service provider.

↪ A person who was licensed as a pari-mutuel system operator on May 31, 2025, shall be deemed registered as a pari-mutuel system service provider as of that date. Such registration shall expire five years following the date the Commission issued the pari-mutuel system operator license or June 30, 2026, whichever is later.

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REGULATION 22

RACE BOOKS AND SPORTS POOLS

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22.080 Payment of winning wagers.

1. Except as otherwise provided in this subsection, books shall make payment on a winning wager to the person who presents the patron’s copy of the betting ticket

representing the wager. A book need not make payment to a person who the book or an agent or employee of the book knows is not the person to whom the patron's copy was issued. A book shall not make payment on a winning wager to a person who the book or its agent or employee knows or reasonably should know is collecting the payment on behalf of another for monetary consideration or in violation of federal law. A book may withhold payment of a winning wager if the patron refuses to supply identification or any other documentation required by state or federal law.

2. Presentment of the betting ticket and payment of the winning wager may be made at an affiliated book provided that:

(a) An adequate accounting of the payment is kept for 5 years by both books; and

(b) The payout is properly included in the computation of gross revenue of the licensee that initially accepted the wager.

3. Books shall honor winning betting tickets for 1 year after the conclusion of the event wagered upon unless a longer period is established by the book. The book shall state the redemption period on each betting ticket, ~~[in house]~~ ~~[in house]~~ *in the book's house* rules, and on notices conspicuously placed about the licensed premises. Payment by mail may be made only after presentment of the betting ticket and all identification information and documentation required by state or federal law, and must be made not later than 10 days after presentment. A book may accept a photocopy of a driver license or passport in lieu of an actual driver license or passport when presentment of the betting ticket is made by mail. Books shall maintain the information and documentation presented for a period of 5 years.

~~[[Effective through date of July 2023 NGC Meeting.]~~

~~4. Except as otherwise provided in this subsection, a licensed race book shall determine the winners of or payouts on wagers on horse and other animal races only with information the book receives from licensed disseminators pursuant to Regulations 20 and 21. A licensed race book may determine the winners of or payouts on wagers on horse and other animal races based on nationally televised broadcasts if:~~

~~(a) The book files a request with the Chair, at least 7 calendar days prior to the races taking place, for permission to determine the winners of specific races based on nationally televised broadcasts, and~~

~~(1) The specific races are Grade I, II, or III stakes races, as determined by the American Graded Stakes Committee of the Thoroughbred Owners & Breeders Association or successor entity, only, and~~

~~(2) There is not an off-track pari-mutuel wagering agreement in place between the track where the races are being held and any licensed race book or the Off-Track Pari-Mutuel Wagering Committee;~~

~~(b) The book stops accepting wagers on each of the races at the time the first horse or other animal enters the starting gate;~~

~~(c) The book shows the nationally televised broadcast of the races live at the book;~~
~~(d) The book ensures an employee of the book, other than a betting ticket writer, monitors the nationally televised broadcast, records the outcome of the races with the conclusion of each race, and records the time the outcome of each race occurred; and~~
~~(e) The Chair, upon a finding that the request is consistent with the public policy of the State of Nevada as set forth in NRS 463.0129, approves the request subject to any limitations or conditions the Chair deems appropriate.~~
~~➔ The Chair may rescind approval of a request upon written notice to the book.]~~
~~[Effective on the date following the July 2023 NGC Meeting.]~~

4. A licensed race book shall determine the winners of, or payouts on, wagers on horse and other animal races only with information the book receives from ~~[licensed disseminators pursuant to Regulations 20 and 21]~~ *an approved off-track pari-mutuel system or live broadcast or that the book can confirm from reliable sources satisfactory to the Chair or from records created and maintained by the book in such a manner as the Chair may approve.*