

PROPOSED AMENDMENTS TO REGULATION 5

PURPOSE: In accordance with NRS 463.145, 463.150, to amend Regulation 5.225 to provide additional permissible methods to deposit and withdraw funds from wagering accounts; to amend Regulations 5.240 and 5.242 to repeal cloud computing service provider as a type of service provider that must be registered with the Board and repeal associated regulatory provisions, and to amend provisions related to who may act as a service provider without registering with the Board as a service provider, and to provide under what circumstances a licensee may utilize cloud computing services; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

REGULATION 5

OPERATION OF GAMING ESTABLISHMENTS

(Draft Date: October 27, 2025)

New
~~[Deleted]~~

5.225 Wagering accounts.

1. [No Change]
2. [No Change]
3. [No Change]
4. [No Change]
5. [No Change]
6. [No Change]
7. [No Change]

8. Funds may be deposited by a patron into the patron's wagering account as follows:

- (a) Cash deposits made directly with the licensee;
- (b) Personal checks, cashier's checks, wire transfer and money order deposits made directly or mailed to the licensee;
- (c) Transfers from a patron's safekeeping or front money accounts otherwise held by the licensee;
- (d) Debits from the patron's debit instrument, prepaid access instrument, or credit card;
- (e) Transfers from another account verified to be controlled by the patron through the automated clearing house or another mechanism designed to facilitate electronic commerce transactions;
- (f) Funds derived from the extension of credit to the patron by the licensee; ~~for~~
- (g) Funds derived from redeemed chips or tokens previously issued to the patron by the licensee; or
- (f) Any other means approved by the Chair.

10. Funds may be withdrawn by a patron from their wagering account as follows:

- (a) Issuance of cash directly to the patron by the licensee;
- (b) Issuance of a personal check, cashier's check, money order, or wire transfer by the licensee made payable to the patron and issued directly or mailed to the patron;
- (c) Transfers to the patron's safekeeping or front money accounts held by the licensee;

(d) Credits to the patron's debit instrument, prepaid access instrument, or credit card;

(e) Transfers to another account verified to be controlled by the patron through the automated clearing house or another mechanism designed to facilitate electronic commerce transactions;

(f) As repayment of outstanding credit owed by the patron to the licensee; ~~or~~

(g) *Issuance of chips directly to the patron by the licensee; or*

h) Any other means approved by the Chair.

11. [No Change]

12. [No Change]

13. [No Change]

14. [No Change]

15. [No Change]

16. [No Change]

17. [No Change]

18. [No Change]

19. [No Change]

20. [No Change]

21. [No Change]

5.240 Service Providers.

1. [No Change]

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) “Service provider” means a person who:

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

(2) Is an information technology service provider~~]; or~~

~~—(3) Is a cloud computing service provider].~~

3. Except as otherwise provided in this subsection, a licensee may only use a service provider that is registered as such with the Board. A licensee may use a person holding a manufacturer’s license issued by the Commission pursuant to NRS 463.650 ~~{or registered with the Board as a manufacturer of associated equipment pursuant to section 14.020 of these regulations}~~ as a service provider to the extent the licensed manufacturer ~~{or registered manufacturer of associated equipment}~~ is supporting ~~{or providing cloud computing services for}~~ *such manufacturer’s* gaming products ~~{manufactured by the licensed manufacturer or registered manufacturer of associated equipment}~~.

4. [No Change]

5. Except as otherwise provided in this subsection, a person may act as a service provider only if that person is registered with the Board. Once registered, a service provider may act on behalf of one or more gaming licensees. Any person holding a manufacturer’s license issued by the Commission pursuant to NRS 463.650 ~~{or registered with the Board as a manufacturer of associated equipment pursuant to section 14.020 of~~

~~these regulations~~] may perform the services of a service provider without registering pursuant to this section only if such services are limited to supporting ~~{or providing cloud computing services for}~~ such manufacturer's gaming products ~~{manufactured by the licensed manufacturer or registered manufacturer of associated equipment}~~. Any licensed manufacturer ~~{or registered manufacturer of associated equipment}~~ that functions as a service provider pursuant to this subsection shall notify the Board of performing such services within 30 days of commencing such function.

6. [No Change]

7. [No Change]

8. [No Change]

9. [No Change]

10. [No Change]

11. [No Change]

12. [No Change]

13. [No Change]

14. [No Change]

15. [No Change]

5.242 Cloud computing services.

1. ~~{Before a cloud computing service provider may provide any cloud computing services to a licensee:~~

~~—(a) The cloud computing service provider must be registered with the Board as a cloud computing service provider or exempt from such registration in accordance with section 5.240 of these regulations; and~~

~~—(b) The cloud computing services offered by the cloud computing service provider must be approved by the Board Chair or the Chair's designee in writing pursuant to this section.~~

~~—2. Equipment and software utilized by the cloud computing service provider for any cloud computing services provided to a licensee must be located:~~

~~—(a) On the premises of a licensed gaming establishment;~~

~~—(b) On the premises of a hosting center registered with the Board pursuant to section 5.230 of these regulations; or~~

~~—(c) On the business premises of the cloud computing service provider if:~~

~~—(1) The business premises is controlled by the cloud computing service provider and the cloud computing service provider is the sole occupant of the space;~~

~~—(2) The transactions conducted pursuant to the cloud computing services are lawful in the jurisdiction in which the business premises is located and do not violate the laws of the respective country, territory, or other recognized regional or tribal government thereof; and~~

~~—(3) For business premises that house equipment and software utilized by the cloud computing service provider located outside the State of Nevada, the cloud computing service provider has established the business premises meet the factors set forth in paragraph (a) of subsection 2 of section 5.2305 of these regulations to the Board Chair, or the Chair's designee's, satisfaction, and the Board Chair, or the Chair's designee, has determined that the criteria set forth in paragraph (b) of subsection 2 of section 5.2305 of these regulations have been met regarding the business premises.~~

~~—3. A cloud computing service provider may apply to the Board Chair for a waiver or modification of the requirements of subsection 2.~~

~~—(a) If satisfied that the requested waiver or modification is consistent with the public policy set forth in NRS 463.0129, the Board Chair may, in the Chair's sole and absolute discretion, grant the requested waiver or modification subject to any conditions, limitations, or alternative requirements as the Chair may deem necessary or appropriate.~~

~~—(b) If the waiver allows for the use of one or more hosting centers that are not registered with the Board pursuant to section 5.230 of these regulations, any such hosting center shall:~~

~~—(1) Be deemed the business premises of the cloud computing service provider for the purpose of these regulations; and~~

~~—(2) With the exception of the requirement to register with the Board, comply with the standards and requirements set forth in sections 5.231 through 5.235 of these regulations unless specifically waived or modified by the Board Chair pursuant to this subsection.~~

~~—(c) Such application shall be considered part of, or an addendum to, the cloud computing service provider's application for registration, and the Board may impose an investigation fee pursuant to paragraph(d) of subsection 3 of section 4.200 of these regulations to cover any costs associated with processing the application for waiver or modification.~~

~~—4. A cloud computing service provider registered with the Board:~~

~~—(a) Must comply with all applicable standards of the International Organization for Standardization, including, without limit, ISO/IEC 27001, 27002, and 27017, or the equivalent;~~

~~—(b) Must be the sole operator and administrator of the equipment utilized in the cloud computing services provided pursuant to this section, and the equipment used to provide the applicable cloud computing services must be under the exclusive operation and control of the cloud computing service provider; and~~

~~—(e) Shall not have access to the software, applications, or data contained or transacted on any associated equipment, cashless wagering system, game, gaming device, race book operation, or sports pool operation of the gaming licensee for which it is providing its services, except when the service provider is a licensed manufacturer or registered manufacturer of associated equipment providing cloud computing services for gaming products manufactured by the licensed manufacturer or registered manufacturer of associated equipment, as permitted in subsections 3 and 5 of section 5.240 of these regulations, to the extent such access is necessary to perform those services.~~

~~—5. An application for an approval required by paragraph (b) of subsection 1 shall be made, processed, and determined using such forms as the Chair may require or approve and must be accompanied and supplemented by such documents and information as may be specified or required by the Board. The application shall include the following:~~

~~—(a) A description of the scope and nature of the specific services provided to licensees.~~

~~—(b) A statement on compliance of the cloud computing services provided by the cloud computing service provider with all applicable standards of the International Organization for Standardization, including but not limited to ISO/IEC 27001, 27002, and 27017, or the equivalent.~~

~~—(c) If the equipment and software used by the cloud computing service provider is located:~~

~~—(1) On the premises of a licensed gaming establishment, the name of the licensed gaming establishment.~~

~~—(2) On the premises of a hosting center registered with the Board pursuant to section 5.230 of these regulations, the name of the registered hosting center.~~

~~—(3) On the business premises of the cloud computing service provider, the location of those premises and a written statement, signed~~

~~under penalty of perjury, that the premises comply with the requirements set forth in paragraph (c) of subsection 2.~~

~~—(d) A statement subscribed by the applicant that:~~

~~—(1) The information being provided to the Board is accurate and complete; and~~

~~—(2) The applicant agrees to cooperate with requests, inquiries, or investigations of the Board and Commission.~~

~~—6. The Commission may require a cloud computing service provider, or any person associated with the cloud computing service provider who is registered with the Board pursuant to subsection 6 of section 5.240 of these regulations, submit an application for finding of suitability, and that a failure to submit such an application within 30 days of the notice to file such an application may constitute grounds for a finding of unsuitability by the Commission.~~

~~—7. Each cloud computing service provider shall inform the Board in writing within 30 days of any material changes in the information provided in accordance with subsection 4. Failure to comply with the reporting requirement of this subsection constitutes an unsuitable method of operation.~~

~~—8. The use of a registered cloud computing service provider by a licensee shall in no way alter the nature or classification of a transaction, nor shall such use relieve a licensee of any obligation or liability the licensee has under the Gaming Control Act or the regulations adopted thereunder. Any such transaction shall be considered as if the licensee conducted it without the use of a cloud computing service provider.~~

~~—9. Except as otherwise provided in subsection 3, the Board Chair, or the Chair's designee, in his or her sole and absolute discretion may, upon receipt of an application for waiver or modification, waive or modify any requirement of this section, including, without limitation, the disclosure to the Board of certain information that would hinder~~

~~operations or pose a hardship due to contractual obligations, if the Board Chair, or the Chair's designee, is satisfied that the requested waiver or modification is consistent with the public policy set forth in NRS 463.0129. Such waiver or modification shall be subject to any condition, limitation, or alternative requirement the Chair, or the Chair's designee, may deem necessary or appropriate. Such application shall be considered part of, or an addendum to, the cloud computing service provider's application for registration, and the Board may impose an investigation fee pursuant to paragraph (d) of subsection 3 of section 4.200 of these regulations to cover any costs associated with processing the application for waiver or modification.~~

~~—10. Any person whose request for approval of a cloud computing service under this section is not approved by the Board Chair or the Chair's designee may appeal the decision using the administrative appeal process found under sections 4.185 through 4.195 of these regulations, inclusive.~~

~~—11. A state gaming licensee shall report in writing to the Board the use of any approved cloud computing service at least 30 days prior to the commencement of such services. The report required by this subsection must include the name of the registered cloud computing service provider, a description of the operations of the state gaming licensee that will use such services, and an attestation that the transactions that will be processed using the cloud computing service provider will comply with the law in the jurisdiction(s) in which such services are provided. Any change to or termination of the use of the cloud computing services reported pursuant to this subsection must be reported by the gaming licensee to the Board within 30 days of such change or termination of service.]~~ *A licensee may utilize cloud computing services on the condition that the licensee:*

(a) Ensures that use of the cloud computing services will not result in a violation of NRS Chapter 463 or the Commission's regulations;

(b) Ensures that the equipment and software utilized in providing cloud computing services are located:

(1) On the premises of a licensed gaming establishment; or

(2) On the premises of a hosting center registered with the Board pursuant to section 5.230 of these regulations;

(c) Ensures that the cloud computing services are in compliance with all applicable standards of the International Organization for Standards, including without limitation ISO/IEC 27001, 27002, and 27017, or the equivalent; and

(d) Maintains documentation regarding what procedures and efforts it undertook to satisfy paragraphs (a) through (c) of this subsection. Such documentation shall be retained by the licensee during all periods of time the licensee utilizes cloud computing services and shall be provided to the Board upon request.

2. For purposes of this section, “cloud computing services” consists 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:

(a) Software as a Service;

(b) Platform as a Service; or

(c) Infrastructure as a Service.

↪ “Cloud computing services” do not include the performance of any service, action, transaction, or operation that would otherwise require a gaming license or registration pursuant to NRS Chapter 463 or the Commission’s regulations.