



NEVADA LEGISLATURE COMMITTEE TO CONDUCT AN INTERIM STUDY CONCERNING THE IMPACT OF TECHNOLOGY UPON GAMING

(Assembly Bill 360, Chapter 508, *Statutes of Nevada 2013*)

SUMMARY MINUTES AND ACTION REPORT

The third meeting of the Nevada Legislature's Committee to Conduct an Interim Study Concerning the Impact of Technology Upon Gaming was held on Tuesday, April 22, 2014, at 9:30 a.m. in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" ([Exhibit A](#)) and other substantive exhibits, is available on the Nevada Legislature's website at <http://www.leg.state.nv.us/interim/77th2013/committee/>. In addition, copies of the audio or video record are available through the Legislative Counsel Bureau's Publications Office (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

COMMITTEE MEMBERS PRESENT IN CARSON CITY:

Assemblyman William C. Horne, Chair
Senator Greg Brower
Senator Tick Segerblom
Assemblyman Randy Kirner
A. G. Burnett, Chairman, State Gaming Control Board (*Nonvoting Member*)
Mark A. Lipparelli, Representative, Manufacturers or Developers of Gaming Technology (*Nonvoting Member*)
Whitney Thier, Representative, Operators of Race Books and Sports Pools (*Nonvoting Member*)

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Senator Justin C. Jones
Assemblywoman Olivia Diaz
Peter C. Bernhard, Chairman, Nevada Gaming Commission (*Nonvoting Member*)
Michael Cohen, Representative, Nonrestricted Gaming Licensees (*Nonvoting Member*)
Randy Miller, Representative, Restricted Gaming Licensees (*Nonvoting Member*)
Mike Sloan, Representative, Entities Engaged in the Business of Interactive Gaming (*Nonvoting Member*)

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Melinda Martini, Principal Research Analyst, Research Division
Bryan Fernley-Gonzalez, Principal Deputy Legislative Counsel, Legal Division
Dan Yu, Principal Deputy Legislative Counsel, Legal Division
Lisa Gardner, Senior Research Secretary, Research Division

OPENING REMARKS

- Chair Horne welcomed members and the public to the third meeting of the Committee to Conduct an Interim Study Concerning the Impact of Technology Upon Gaming.

PUBLIC COMMENT

- Lisa Mayo-DeRiso, private citizen, Las Vegas, Nevada, commented on the establishment of “slot parlors” in Clark County neighborhoods and the role of the public with the decision making process ([Exhibit B](#)). She noted her involvement with Senate Bill 208 (Chapter 452, *Statutes of Nevada 1997*), and quoted subsection 3(a) of Section 2 of that measure, which states:

Although the continued growth and success of gaming is essential to the welfare of Clark County and this state, the growth of gaming in a planned and predictable manner is necessary for the safety, integrity and tranquillity of the residential neighborhoods of Clark County.

Ms. Mayo-DeRiso remarked that “slot parlors” are emerging in an unplanned and unpredictable manner and the public has had little input concerning where they are located. She noted her intention to submit recommendations to the Committee regarding: (1) increasing public involvement with restricted and nonrestricted gaming; and (2) the term “incidental.”

- Chair Horne thanked Ms. Mayo-DeRiso for her testimony. He stated that the issues she brought forward will likely be addressed during the 2015 Session.

APPROVAL OF MINUTES OF THE MEETING HELD ON JANUARY 21, 2014, AND FEBRUARY 27, 2014, IN LAS VEGAS, NEVADA.

- The Committee **APPROVED THE FOLLOWING ACTION:**

SENATOR SEGERBLOM MADE A MOTION TO APPROVE THE MINUTES OF THE JANUARY 21, 2014, AND FEBRUARY 27, 2014, MEETINGS HELD IN LAS VEGAS, NEVADA. THE MOTION WAS SECONDED BY ASSEMBLYMAN KIRNER AND PASSED UNANIMOUSLY.

SOLICITATION OF RECOMMENDATIONS CONCERNING THE IMPACT OF TECHNOLOGY ON THE REGULATION OF GAMING, THE DISTINCTION BETWEEN RESTRICTED AND NONRESTRICTED GAMING LICENSEES, THE ACCEPTANCE OF RACE BOOK AND SPORTS POOL WAGERS MADE BY ENTITIES, THE ACCEPTANCE OF WAGERS ON FEDERAL ELECTIONS, AND OTHER TOPICS RELATED TO GAMING FOR CONSIDERATION BY THE COMMITTEE AT THE WORK SESSION SCHEDULED FOR MAY 27, 2014

- Chair Horne announced that May 1, 2014, is the deadline for submitting a recommendation for possible consideration by the Committee at its May 27, 2014, work session. He stated that submittals should be directed to Marji Paslov Thomas, Principal Research Analyst, Research Division, Legislative Counsel Bureau. Chair Horne pointed out that instructions for submitting a recommendation are located in the Solicitation of Recommendations memorandum ([Exhibit C](#)).

REMARKS CONCERNING THE POTENTIAL EFFECTS AND CONSEQUENCES OF AUTHORIZING THE ACCEPTANCE OF RACE BOOK AND SPORTS POOL WAGERS MADE BY AN ENTITY

- Chair Horne commented that, pursuant to subsection 4(f) of Section 15 in Assembly Bill 360 (Chapter 508, *Statutes of Nevada 2013*), the Committee is required to study the potential effects and consequences of authorizing the acceptance of race book and sports pool wagers made by an entity. He stated that this duty relates to Senate Bill 346, which passed through the Senate but failed to progress in the Assembly during the 2013 Session. Chair Horne noted that, at the January 21, 2014, Committee meeting, Senator Brower and Ms. Thier stated their intent to share information with the Committee on this topic; however, such discussion will likely not occur until the 2015 Session.

DISCUSSION OF THE IMPACT OF INTERACTIVE GAMING IN THE STATE OF NEVADA AND THE STATE OF NEW JERSEY RELATING TO PAYMENTS, IDENTITY AND AGE VERIFICATION ISSUES, AND GEOLOCATION ISSUES

- Matthew Katz, Chief Executive Officer (CEO), Central Account Management System (CAMS), LLC; and CEO and Chairman, Verifi, Inc., presented information on technologies and services relating to payments, age and identity verification, and geolocation in the interactive gaming environment ([Exhibit D](#)).

Mr. Katz commented that Verifi, Inc. focuses on risk mitigation and revenue assurance for large companies accepting multiple forms of payment, while CAMS focuses on regulatory compliance for interactive gaming operators and state lotteries. He remarked that technologies and services offered by CAMS utilize: (1) a universal platform with a partner matrix; (2) “waterfall technology”; and (3) “layered technology.” Mr. Katz noted that the company developed a central clearinghouse for

the Illinois Lottery, which manages player accounts, loss limits, and a central self-exclusion list. He pointed out that the technology also identifies patterns of addiction by tracking player velocity.

Mr. Katz shared statistics relating to credit card transactions and alternative forms of payment with interactive gaming. He noted a 44 percent approval rate with credit card transactions, which is an all-time low for any industry.

Responding to a question from Chair Horne, Mr. Katz clarified that his reference to “credit cards” is inclusive of all forms of “plastic” electronic payments, including debit and prepaid cards.

Continuing, Mr. Katz stated that 52 percent of individuals whose credit card transactions are declined pursue an alternative form of payment; transactions through alternative forms of payment are approved in 60 percent of such cases. He remarked that the overall approval rate for interactive gaming transactions is 61 percent.

Mr. Katz pointed out that the refusal of banks to approve credit card transactions poses a significant challenge for the interactive gaming industry. He conveyed that banks were initially reluctant to approve credit card transactions with the Illinois Lottery, as they were concerned that customers might declare bankruptcy from purchasing more tickets than they could afford. Mr. Katz indicated that all such concern was eliminated after certain protections were built into the clearinghouse for that lottery.

Concluding his testimony, Mr. Katz suggested that the Committee review additional data collected by the interactive gaming industry. He also commented on the importance of establishing a baseline player account limit across all operators. Mr. Katz mentioned that players could be allowed to increase their limits by submitting certain information relating to their identity, such as credit checks and tax returns.

Responding to questions from Senator Brower, Mr. Katz provided the following information relating to transactions with illegal offshore gaming operations:

- The merchant category code (MCC) for interactive gaming is 7995. Offshore illegal gaming sites defraud banks by establishing shell companies that use codes other than MCC 7995; they link deposits from a gaming website to another website that appears to be selling a different product.
- Banks do not currently have the technology or resources to monitor offshore usage.
- Offshore operations are capable of rapidly opening and closing shell companies and accounts; therefore, it is not cost-justified to pursue a strategy to shut down such operations.

- A realistic strategy involves educating banks and the public about the availability of regulated sites, including the benefits and protections they provide.

Mr. Katz noted that the “rolling out” of legalized interactive gaming in various states is causing concern for the banks because they do not have the technology to identify and control activities occurring on a state-by-state basis.

Discussion ensued between Mr. Lipparelli, Ms. Thier, and Mr. Katz regarding chargeback rates with interactive gaming operations. Mr. Katz remarked that rates vary in Nevada and New Jersey, and have been slightly higher than those of other industries. He commented that rates should plateau after the perceived risk diminishes. Mr. Katz conveyed that rates are below industry thresholds and operators are more concerned about bringing in deposits than losing small amounts through chargebacks.

Responding to questions from Mr. Bernhard, Mr. Katz clarified the following:

- The clearinghouse for the Illinois Lottery system limits the ability of a player to lose more than a certain amount within a defined time frame; there is no such “live” clearinghouse being utilized with interactive poker or casino to protect against excessive losses.
- Subsequent to Visa’s recommendation and rule change, credit card issuers no longer associate lotteries with interactive gaming. The approval rate for credit card transactions with lotteries is over 98 percent.
- Protections for loss limits implemented through a clearinghouse for interactive poker would increase the comfort level of banks with interactive gaming and encourage them to accept transactions under MCC 7995; however, approval ratings would not reach as high as 98 percent through that activity alone.
- There are ways, under MCC 7995, to uniquely identify a regulated casino property or poker website versus those that are unregulated. Changing the code for interactive poker to something other than MCC 7995 would not resolve the issue with banks declining transactions. Additionally, the new MCC assigned to lotteries would not apply to interactive poker unless Visa and MasterCard were to expand the definition of that category code.
- Operators have the technology to monitor for patterns of addiction within their own software “stacking silos”; additional technology can track player activity occurring across multiple sites, including velocity of movement and dollar amounts wagered.

PRESENTATION OF THE POTENTIAL EFFECTS AND CONSEQUENCES OF AUTHORIZING THE ACCEPTANCE OF WAGERS ON FEDERAL ELECTIONS

- Senator Segerblom commented that he sponsored a bill during the 2013 Session (Senate Bill 418), which pertained to legalizing election wagering in Nevada. He noted that the bill passed the Senate but failed in the Assembly. Senator Segerblom said that election wagering would generate revenue for the schools and increase publicity for the State. He remarked that Joseph M. Asher, CEO, William Hill US Holdco Inc., would share additional information regarding this topic.
- Mr. Asher gave a presentation relating to election wagering in the United Kingdom and potential effects of legalizing the activity in Nevada ([Exhibit E](#)). He discussed:
 - Election wagering in the U.K.—how it works;
 - Illegal offshore websites; and
 - Election wagering in the U.K.—elections and seats wagered upon.

Responding to a question from Senator Segerblom, Mr. Asher conveyed that election wagering events can be parlayed in the U.K.

Continuing, Mr. Asher commented on:

- Estimated amounts wagered in the U.K. on the 2010 U.K. General Election and the 2012 United States Presidential Election;
- Upcoming elections;
- Publicity for Nevada's gaming industry; and
- Odds with the 2016 U.S. Presidential Election.

Responding to a question from Mr. Burnett, Mr. Asher stated that he was unaware of a federal prohibition on election wagering in the United States.

- Dan Shapiro, Director of Business Development, William Hill US Holdco, Inc., provided a brief demonstration, utilizing a test account, of how wagers are placed on elections through William Hill.

Discussion ensued between Chair Horne and Mr. Asher regarding potential impacts on election outcomes. Chair Horne expressed concern that placing a fiscal value on a race might alter the results of an election. Mr. Asher remarked that wagers would not influence election outcomes any more than wagers affect the outcomes of sporting events. He added that larger bets would be taken on presidential elections than on smaller races.

In response to a question from Senator Brower, Mr. Asher stated that he did not have information regarding rules in the U.K. on election wagering.

- Assemblywoman Diaz asked for statistics on the number of individuals in the U.K. who engage in election wagering versus those who engage in sports wagering.
- Mr. Asher replied that he did not have specific percentages, but noted that election wagering is the smaller market. He remarked that election wagering generates a large amount of publicity, which “outsizes” the amounts wagered.

Responding to a question from Senator Jones, Mr. Asher commented that while election wagering is occurring in other countries, the primary market is in the U.K.

In response to a question from Senator Segerblom, Mr. Asher confirmed that certain offshore sites accept election wagers from individuals in the U.S. He also commented on the estimate that \$17 million was wagered in the U.K. on the 2012 U.S. Presidential Election.

There was a discussion between Senator Segerblom and Mr. Asher regarding the daily odds published by FiveThirtyEight on U.S. presidential elections. Mr. Asher stated that the company, which has been acquired by ESPN, utilizes aggregate data and interprets poll results to develop its odds.

- Senator Segerblom conveyed that, since Nevada wants to expand the gaming industry and election wagering is already occurring, it would be a lost opportunity if the activity were to remain illegal. He opined that election wagering would not “denigrate” the election process. Senator Segerblom reiterated that election wagering would generate revenue for the schools and increase publicity for the State.

PRESENTATION OF POTENTIAL MODIFICATIONS TO CURRENT STATUTORY LIMITATIONS ON THE EXPANSION OF NEW TECHNOLOGY IN GAMING

- Dan R. Reaser, Attorney at Law, Lionel Sawyer & Collins, representing the Association of Gaming Equipment Manufacturers (AGEM), discussed innovative technologies and requisite adjustments for the regulatory framework to allow for the expansion of such technologies into gaming ([Exhibit F](#)). He commented on the following:
 - AGEM;
 - Marketplace dynamics;
 - The legal landscape—statutes and regulations;
 - The solution—enhancing regulatory authority for the Nevada Gaming Commission;

- The development of new regulations to expand the use of technology with gaming devices and equipment; and
 - Broader implications of legislative policy.
- Mr. Lipparelli commented that social and other forms of gaming are “taking hold” in other industries that have fewer limitations on development. He indicated that greater flexibility would enable the industry to attract the best developers, offer better games, and become more competitive. Mr. Lipparelli requested input from Marcus Prater, Executive Director, AGEM.
 - Mr. Prater remarked that Nevada has been successful with attracting developers in the software engineering environment; however, creativity is being hindered under the current regulatory framework. He conveyed that adjustments are needed to retain talent in the State.
 - Mr. Burnett remarked that there is a need to enhance the ability of manufacturers and operators to provide innovative and competitive products in the marketplace. He referenced *Nevada Revised Statutes* (NRS) 463.0129, which addresses the need to keep gaming competitive. Mr. Burnett asked whether AGEM is seeking a statutory change or a legislative mandate, declaration, or statement directed at gaming regulators.
 - Mr. Reaser suggested that a new and uncomplicated statute would resolve the problem; existing statutes probably do not need to be adjusted. He recommended that the Legislature “empower” the Commission to adopt regulations pertaining to: (1) the development of skill-based gaming; (2) the allowance for creativity in identifiers; and (3) the integration of financial transactions at the machine—with consideration for consumer protection and disclosure. Mr. Reaser stated that additional elements may need to be considered with a statute.

Discussion ensued between Ms. Thier and Mr. Reaser regarding front-end and back-end incentives. Ms. Thier commented that operators are limited to offering incentives on the back-end, such as through discounted losses and frequent player programs. She indicated that it would be beneficial to provide incentives through the technology on the front-end. Mr. Reaser pointed out that there is a generational gap with the enticement of incentives in the casino environment. He remarked that older customers are incented through offers, such as coupons, while younger customers are incented through the gaming experience itself.

There was a conversation between Senator Segerblom and Mr. Reaser regarding the testing and approval process for new games and existing, modified games.

- Mr. Sloan indicated that he would like to hear from casino operators regarding the information presented by AGEM. He remarked that the following issues should be addressed: (1) the addictive nature of mobile devices; and (2) the potential for tipping

activity to decline as a result of transactions occurring through mobile devices. Mr. Sloan also stated that the Legislature should be cognizant of the distinction between “gaming” and “gambling.”

- Mr. Miller remarked that skilled games, such as poker, currently exist in the industry. He stated that he was in support of expanding technology into other games.

PRESENTATION OF THE REVENUE FORECAST REFLECTING POSSIBLE MODIFICATIONS TO THE TAX STRUCTURE FOR RESTRICTED GAMING OPERATIONS TO BE THE SAME AS NONRESTRICTED GAMING OPERATIONS FOR THE OPERATION OF SLOT MACHINES

- A. G. Burnett, Chairman, State Gaming Control Board, provided a brief overview of the current tax structure for restricted and nonrestricted licensees ([Exhibit G](#)). He pointed out that information collected from restricted and nonrestricted licensees is deemed confidential under NRS 463.120.
- Frank Streshley, Chief, Tax and License Division, State Gaming Control Board, shared the results of a tax and fee analysis ([Exhibit G](#)). He pointed out that, should restricted licensees be required to pay under the same tax and fee structure that is imposed upon nonrestricted licensees, the estimated fiscal impacts on revenue would be as follows:
 - An annual loss of \$7.1 million in restricted slot fee collections;
 - An annual increase of \$19 million in percentage fee collections; and
 - A net annual increase of \$11.9 million in General Fund collections.

Mr. Streshley pointed out that modifying the tax structure would necessitate the Board to add an additional 35 positions to process tax returns and audit gross gaming revenue and tax payments for the 2000 restricted licensees in the State. He remarked that the estimated annual cost for these positions is \$3.7 million.

Discussion ensued between Senator Segerblom, Mr. Burnett, and Mr. Streshley regarding the ability of the Board to collect and report on data from restricted gaming licensees. Senator Segerblom suggested that operators provide calculations, based on revenue generated over a two-year period, to reflect what their taxes would be under a modified structure. He surmised that such data would provide a more accurate tax revenue projection. Mr. Burnett stated that the Board can obtain and present such figures to the Legislature; however, licensees would need to waive confidentiality in order for this to occur. He pointed out that, alternately, licensees could provide this information directly to the Legislature. Senator Segerblom indicated that he might address this topic during the 2015 Session.

Responding to a question from Senator Segerblom, Mr. Streshley clarified that additional staff would audit tax returns from each location and analyze records and internal controls.

Discussion ensued between Mr. Sloan and Mr. Streshley regarding audits for restricted operations. Mr. Streshley confirmed that audits are not currently conducted on all restricted licensees. He elaborated that slot route operators submit the NGC-36 *Slot Route Operator Information Report* on a quarterly basis, which reveals individual locations, individual slot machine performance, and the gross gaming revenue from each machine. He pointed out that some restricted licensees are not slot route operators, and therefore, are not required to submit the NGC-36. Mr. Streshley confirmed that restricted licensees are not required to submit certified financials, which are required of nonrestricted licensees.

- Senator Jones asked whether there was any reason that the amount charged per game could not be indexed to inflation, or some other measurement, as opposed to having a number randomly set in the statute.
- Mr. Streshley stated that as an employee of the Board, he must remain neutral on tax policy issues, and was therefore unable to speak to it.
- Chair Horne asked Mr. Bernhard to respond as to whether such a tax change would be possible and worthwhile for the State to consider.
- Mr. Bernhard pointed out that the Commission implements what the Legislature denotes as tax policy. He elaborated that should the Legislature decide to establish a uniform tax policy based on a “per device” basis, the Commission would adopt regulations to direct the Board to apply the new rate to devices and games.

In response to a question from Senator Segerblom, Mr. Streshley stated that the Legislature increased quarterly restricted slot fees by 30 percent in 2003.

Discussion ensued among Assemblyman Kirner, Mr. Burnett, and Michael Lawton, Senior Research Analyst, Tax and License Division, State Gaming Control Board, regarding interactive gaming revenue. Mr. Lawton remarked that \$8.5 million was generated in gaming win from interactive poker between May 2013 and February 2014. Mr. Burnett pointed out that the State receives 6.75 percent of the gaming win. Mr. Lawton conveyed that interactive gaming licensees pay fees under the same “tiered” percentage fee structure that is applied to nonrestricted gaming licensees ([Exhibit G](#)).

There was additional discussion between Assemblyman Kirner and Mr. Burnett regarding staffing and related costs involved with the Board’s regulatory oversight of interactive gaming operations. Mr. Burnett stated that at least 50 percent of the Board’s 400 (approximate) staff members are engaged in duties relating to interactive gaming, including: (1) audits; (2) taxation; and (3) enforcement. He noted that there are

27 interactive gaming licensees, of which 8 are manufacturers, 3 are operators, and 16 are service providers. Mr. Burnett mentioned that eight Board employees are assigned to the licensure of restricted gaming operations.

In response to a question from Chair Horne, Mr. Burnett commented that the Board did not hire additional staff for the “ramp up,” preparatory phase with interactive gaming. He indicated that responsibilities pertaining to the regulation of interactive gaming have been handled by existing staff.

- Assemblyman Kirner asked how quickly interactive gaming is trending in the State.
- Mr. Burnett commented that the trend is growing with the assistance of the regulations and should continue to grow as long as other states enact legislation to legalize interactive gaming. He pointed out that interactive gaming is legal for individuals who visit Nevada.

Responding to a question from Assemblyman Kirner, Mr. Lawton said that, to date, interactive gaming revenue for the State is 6.75 percent of \$8.5 million.

- Mr. Lipparelli mentioned that a bill pertaining to legalizing interactive poker in the State of California has been scheduled to be heard in the California State Assembly. He remarked that Nevada’s legislation, which limits interactive gaming to poker, provides allowances for the Board, Commission, and industry to consider expansion. Mr. Lipparelli indicated that Nevada has adopted a framework that other states will follow.

PUBLIC COMMENT

- Sean T. Higgins, Vice President, Government Affairs, Porter Gordon Silver, representing Golden Gaming, Inc., recommended maintaining the “status quo” in regard to the tax structure for restricted gaming operations.

There was a brief conversation between Senator Jones and Mr. Higgins regarding inflation indexing. Mr. Higgins conveyed that if indexing is applied to restricted operations, then it should be applied to nonrestricted operations as well. He noted that the 30 percent tax increase was significant.

- Virginia Valentine, President, Nevada Resort Association, shared employment and revenue statistics relating to the State’s leisure and travel and gaming industries. She noted that tax revenue generated from the gaming industry accounts for 46 percent of the State General Fund. Ms. Valentine also commented on the results of an economic analysis conducted by the Nevada Resort Association, which evaluated gross gaming revenues, employment and wages, and tax burdens for restricted and nonrestricted operations in the following categories: (1) large strip properties; (2) typical strip

properties; (3) local properties; and (4) properties with the restricted slot arcade business model. She pointed out that the average annual tax revenue generated per slot machine in local properties and resort hotels is \$6,600, while the average annual tax revenue generated per slot machine under the slot arcade model is \$1,700.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 12:32 p.m.

Respectfully submitted,

Lisa Gardner
Senior Research Secretary

Marjorie Paslov Thomas
Principal Research Analyst

APPROVED BY:

Assemblyman William C. Horne, Chair

Date: _____

LIST OF EXHIBITS

[Exhibit A](#) is the “Meeting Notice and Agenda,” provided by Melinda Martini, Principal Research Analyst, Legislative Counsel Bureau.

[Exhibit B](#) is a document titled “Protecting Our Neighborhoods from Gaming,” dated April 22, 2014, submitted by Lisa Mayo-DeRiso, private citizen, Las Vegas, Nevada.

[Exhibit C](#) is a memorandum dated April 2, 2014, to “All Interested Parties,” from Assemblyman William C. Horne, Chair, Committee to Conduct an Interim Study Concerning the Impact of Technology Upon Gaming, regarding solicitation of recommendations for possible consideration by the Committee, provided by Melinda Martini, Principal Research Analyst, Legislative Counsel Bureau.

[Exhibit D](#) is a document titled “One Platform/One Agreement,” submitted by Matthew Katz, Chief Executive Officer (CEO), Central Account Management System (CAMS), LLC; and CEO and Chairman, Verifi, Inc.

[Exhibit E](#) is a document titled “Wagering on Federal Elections,” dated April 22, 2014, provided by Joseph M. Asher, CEO, William Hill US Holdco Inc.

[Exhibit F](#) is a document titled “Exploring Regulatory Innovation: A Case for Removing Legal Impediments to Expansion of New Technology in Gaming,” dated April 22, 2014, submitted by Dan R. Reaser, Shareholder, Lionel Sawyer & Collins, submitted by the Association of Gaming Equipment Manufacturers.

[Exhibit G](#) is a memorandum dated March 18, 2014, to A. G. Burnett, Chairman, State Gaming Control Board, from Michael Lawton, Senior Research Analyst, Tax and License Division, State Gaming Control Board, regarding restricted licensees tax & fee analysis, provided by A. G. Burnett, Chairman, State Gaming Control Board.

This set of “Summary Minutes and Action Report” is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits and other materials distributed at the meeting are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library interactive at www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm or telephone: 775/684-6827.