

# GAMING LEGALNEWS

## UNCOMMON DEFINITIONS OF COMMON GAMING TERMS – A FIELD GUIDE FOR NON-NEVADA GAMING PRACTITIONERS IN NEVADA

by Greg Gemignani, Kate Lowenhar-Fisher, Jennifer Gaynor and Jeff Silver

Those not intimately familiar with Nevada gaming law are often confused about how certain terms, namely “mobile gaming,” “interactive gaming” and “sports account wagering,” are used in Nevada. Here is a guide to Nevada gaming terminology:

### Interactive Gaming

In 2001, Nevada embarked on statutory changes to permit online, mobile and off-premises gaming for gambling activities other than sports wagering. At that time, some countries permitted broad-based computer gaming over the Internet, others permitted gaming over cable TV networks and still others permitted cellular phone wagering on games through proprietary networks. Nevada coined the term “interactive gaming” to capture and regulate such gaming over the Internet, private wireless networks, private wired networks and geographically dispersed gaming, and the Nevada Legislature enacted a regime to permit the Nevada Gaming Commission (“Commission”) to issue “interactive operators” licenses and “interactive manufacturers” licenses.

The 2001 licensing regime reflected the common terrestrial gaming arrangement where casino operators offered gaming services while manufacturers were licensed for manufacturing and distributing devices. Eligibility for an interactive gaming operator license was limited to those with significant terrestrial gaming operations in Nevada. The legislation contained a requirement for the Commission to determine whether issuing such licenses would be compliant with federal and state law. Because the U.S. Department of Justice (“DOJ”) issued a letter in early 2002 indicating that it believed, without any analysis in the letter, that issuing interactive gaming licenses would violate the Federal Wire Act, among other federal laws, efforts to implement licensing of interactive gaming in Nevada ground to a halt.

In 2011, the DOJ changed its opinion of the Federal Wire Act, and Nevada recommenced its efforts in this area, with a few updates. The 2011 Nevada legislature altered the 2001 interactive gaming statutes to add an “interactive service provider” class of license and to compel the Commission to enact regulations for licensing online/interactive poker.

### Mobile Gaming

In 2005, while interactive gaming licensing was still dormant, the Nevada legislature authorized licensing for gaming through mobile



September 11, 2015 • Volume 8, Number 16

#### GAMING LEGAL NEWS EDITORIAL BOARD

**Robert W. Stocker II**, Gaming Law  
517.487.4715 • rstocker@dickinsonwright.com

**Dennis J. Whittlesey**, Gaming Law/Indian Law  
202.659.6928 • dwhittlesey@dickinsonwright.com

**Michael D. Lipton, Q.C.**, Gaming Law  
416.866.2929 • mdliptonqc@dickinsonwright.com

**Peter H. Ellsworth**, Gaming Law  
517.487.4710 • pellsworth@dickinsonwright.com

**Kate Lowenhar-Fisher**, Gaming Law/Liquor Licensing  
702.550.4459 • klowenhar-fisher@dickinsonwright.com

**Gregory R. Gemignani**, Gaming Law/Intellectual Property  
702.550.4468 • ggemignani@dickinsonwright.com

**Glenn M. Feldman**, Gaming Law/Indian Law  
602.285.5138 • gfeldman@dickinsonwright.com

**Peter J. Kulick**, Gaming Law/Taxation  
517.487.4729 • pkulick@dickinsonwright.com

**Kevin J. Weber**, Gaming Law  
416.367.0899 • kweber@dickinsonwright.com

**Jeffrey A. Silver**, Gaming Law  
702.382.4004 • jsilver@dickinsonwright.com

#### DW COOPERATION AGREEMENT FIRMS

MdME, Macau ([www.mdme.com.mo](http://www.mdme.com.mo))  
Varela & Fonseca Abogados, Peru ([www.varelafonseca.com](http://www.varelafonseca.com))  
Velchev & Co., Bulgaria ([www.vlaw.bg](http://www.vlaw.bg))  
WH Partners, Malta ([www.whpartners.eu](http://www.whpartners.eu))

#### GAMING WEB SITES OF INTEREST

[www.indianz.com](http://www.indianz.com) [www.ggbmagazine.com](http://www.ggbmagazine.com)  
[www.gaminglawmasters.com](http://www.gaminglawmasters.com) [www.pechanga.net](http://www.pechanga.net)  
[www.casinoenterprisemanagement.com](http://www.casinoenterprisemanagement.com)

*Disclaimer: Gaming Legal News is published by Dickinson Wright PLLC to inform our clients and friends of important developments in the fields of gaming law and federal Indian law. The content is informational only and does not constitute legal or professional advice. We encourage you to consult a Dickinson Wright attorney if you have specific questions or concerns relating to any of the topics covered in Gaming Legal News.*

devices within certain areas of a casino premises. Therefore, in Nevada, “mobile gaming” refers to the use of non-fixed devices to play gambling games *within a casino premises*.

Because mobile gaming in Nevada is on-premises casino gaming, mobile devices or connections are treated like slot machines and are subject to slot machine taxes and fees. Likewise, a nonrestricted gaming license is required to manufacture, distribute and operate a mobile gaming system in Nevada.

## Sports Account Wagering

Recent technological advances in sports account wagering often are confused with mobile or interactive gaming. Sports account wagering is a separate and distinct class of gaming. The definitions of interactive and mobile gaming in Nevada exclude sports wagering because these forms of licensed gambling are limited to “gambling games.”

The confusion occurs because sports bettors in Nevada have the option to place sports wagers on smart phones, tablets and computers within the state boundaries of Nevada. However, this form of wagering is merely remote account wagering, which Nevada has permitted since the 1970s, via a new technology. In the 1970s, remote account wagering was accomplished through phone calls and pagers to verify the location of patrons. In the 1980s and 1990s, stationary kiosks with modems were introduced to make remote account wagering easier and player geo-location easier. In the early 2000s, Station Casinos pioneered a broadband computer-based product for users of the Cox cable Internet system. Again, the Station Casinos system was merely a new technology to enhance account-based remote sports wagering. More recently, the evolution has continued to permit smartphones and tablets to be used to access remote sports wagering accounts when the patron can be confirmed to be in Nevada through the GPS data of the device and the geo-location data of the cell towers used by the device. Each use of new technology, however, is still governed by remote account wagering rules that Nevada has had in place for many decades.

## Translation Guide

Although Nevada may be the worldwide epicenter of gaming, apparently not all of the gaming terminology used here has been adopted by or follows the trends in other jurisdictions. The following can be used as a guide to translate common gaming terms as they are utilized elsewhere into terms as they are used pursuant to Nevada statutes and regulations:

Common Worldwide Term or Phrase	Nevada Equivalent
Mobile Gaming	Interactive Gaming
Online Gaming	Interactive Gaming
In-Casino Portable Device Gaming	Mobile Gaming
Mobile Sports Wagering	Remote Sports Account Wagering

With luck, this guide helps to clear some of the semantic confusion created by Nevada’s Wild West individualism.

*Greg Gemignani, Kate Lowenhar-Fisher and Jennifer Gaynor are Members in Dickinson Wright’s Las Vegas office, and Jeff Silver is Of Counsel in the Las Vegas office. Jennifer Gaynor can be reached at 702.550.4462 or jgaynor@dickinsonwright.com. See the masthead for the contact information of the other authors.*