

FOREWORD

By Dr. Tony Alamo, M.D., Chairman, Nevada Gaming Commission

Welcome to the 2017 edition of the *Nevada Gaming Lawyer* magazine. I thought I had reached my pinnacle with the gaming law community when I was given the honor of writing an article in this periodical back in 2015. At that time, the article was titled “Hot Topics in Gaming: A Chairman’s and Physician’s Perspective.” To my surprise, I have been bestowed an even bigger honor this year and that is to have a spot on the cover and to address all of you in this Foreword.

If my USC School of Medicine graduating class could see me now, I am sure they would have a few things to say. In all seriousness, my career has taken several unique turns and has thus offered me the opportunity to see numerous professions up close and personal. I have come to know many of the gaming attorneys and have found that there are distinct similarities between the professions of medicine and gaming law. You see, we both are the advocates of patients/clients. We both try to give them good, sound advice. We shepherd them through troubled waters. We are the source of knowledge and counsel and when they do not follow our recommendations they find themselves in harm’s way. I see both the advocacy and the passion when gaming attorneys are present in front of the Nevada Gaming Commission (Commission) with their clients/licensees.

My last 10 years on the Commission, with the last three years as its Chairman, have offered me the opportunity to work with the very best - those that work for our state on the regulatory side, including the Nevada Gaming Control Board (Board) and my fellow gaming commissioners.

The gaming industry is in constant movement and is always changing. Here in Nevada, we have to compete with the globalization of gaming around the world and that requires our regulatory infrastructure to pivot. I have always said that the Commission is the bridge between the Board and the industry and I am proud to say that we have proven that to be the case. We have had to adjust the way we do business through changing statutes and regulations to accommodate the needs of the gaming industry. The innovation that is occurring with such advancements as mobile gaming, interactive gaming, and hybrid gaming, just to name a few, is what we have seen and been a part of. The Board’s Technology Division has become as integral as the Enforcement or Investigations Divisions. Staying at the forefront of this technology is vital to Nevada and I am proud to see the Commission navigating through these issues.

This 2017 legislative session brought about what I believe was a much-needed option for the Commission. Assembly Bill 75 amended NRS 463.220 and now allows the Commission another choice when dealing with a recommendation of denial



BY THE NUMBERS . . .

11

This the **11th year** of this annual publication, the **Nevada Gaming Lawyer**. Since 2007, there have been 133 articles written by 84 different authors.

16

2017 will be the **16th year** of the **Gaming Law Conference**, which has drawn nearly 4,000 attendees to date.

18

The number of **chapters in the Nevada Gaming Law Practice and Procedure Manual** (1st ed. 2016), with 19 authors and the *Foreword* by Governor Brian Sandoval.

27

The total number of **individuals who have served on the Gaming Law Section's Executive Committee** since its revival in 2000.

188

The total **membership** of the **Gaming Law Section** as of June 30, 2017, which includes 154 from Las Vegas, 19 from Reno, 8 from Henderson, 5 from Carson City, 5 from out-of-state, 4 from out-of-country and 2 from North Las Vegas. The membership is also broken down along the following demographics: 115 in private practice; 63 corporate or in-house counsel; and 10 government lawyers.

393

As of June 30, 2017, the **total number of individuals employed by the Nevada Gaming Control Board** (a decrease of 2.7% over the same period from 2016), including 53 in the Administration Division (no change from 2016); 90 in the Audit Division (a decrease of 1.1% from 2016); 26 in the Technology Division (no change from 2016); 120 in the Enforcement Division (a decrease of 0.8% from 2016); 77 in the Investigations Division (a decrease of 9.4% from 2016); and 27 in the Tax and License Division (a decrease of 3.6% from 2016).

2,908

As of June 30, 2017, the **total number of gaming licenses active in Nevada** (a decrease of 0.7% over the same period in 2016), including 458 nonrestricted (an increase of 0.2% from 2016) and 1,957 restricted (a decrease of 1.2% from 2016).

6,415

As of June 30, 2017, the **total number of games in Nevada** (a decrease of 1.3% over the same period in 2016).

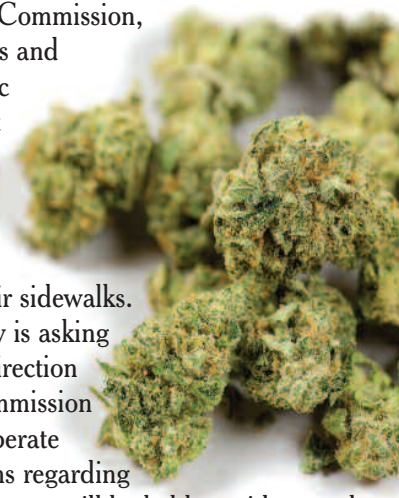
from the Board. Before, the Commission was limited to accepting the recommendation of denial by a majority vote, remanding the matter to the Board for further investigation, or overturning the recommendation of denial and approving the application with a unanimous vote of the members present. This has always been a problem for me, because society has changed and things are not as clear-cut as the first five decades since the enactment of the Gaming Control Act of 1959. While not necessarily appropriate for a position in gaming, the denied applicants may not be deserving of the stigma and statutory consequences that attach to those denied a gaming license.

APPLICATION DENIED

Now, AB75 gives the Commission a third option and allows us, by majority vote, to “reject” an application, registration, finding of suitability, or approval (in a similar fashion to the Board using withdrawal). When I first envisioned this statutory change, I expected that it would have the effect of more “complicated” recommendations coming from the Board to the Commission, which many of you have voiced to me will be good thing. The Commission is committed to upholding the gold standard of gaming in this state while also continuing to bridge the gap between the regulatory agencies and the industry and its licensees.

This means not just having to adjust to the revolutionizing of the gaming atmosphere, but also to the cultural changes that are occurring within our country. In 2015, we were dealing with medical marijuana and its implications on the licensees in our industry. Today we are focused on recreational marijuana and how that may affect the gaming industry. I never would have thought that my medical degree would be helpful in such an arena as it has in gaming regulation. But, because of marijuana, it has become invaluable I think to help shepherd the industry through some of the potential issues. This year, I was asked to be on the Marijuana Advisory Board for Clark County and on that board only three, including myself, were representing gaming interests. The rest were part of the marijuana industry. Through many meetings and many hours, what came out of that advisory panel and, thus, was recommended to the Clark County Commissioners, I believe will also be helpful to the gaming industry. The Advisory Board recommended (final approval pending) that no product delivery occur along the entire Las Vegas Boulevard corridor, all H-1 zoned properties, and all restricted and non-restricted gaming properties. Also, those same areas are subject to a prohibition of use of marijuana. This helps the gaming industry police themselves so they do

not inadvertently violate any federal laws. It has been made clear by the Board and Commission, through policy statements and comments at many public meetings, that we cannot have the industry participate or allow participation of actions that are against federal law anywhere within their sidewalks. At this time, the industry is asking for even more detailed direction from the Board and Commission and we will need to deliberate and make policy decisions regarding the expectations each licensee will be held to with regard to its relations with the marijuana industry ... more to come on this subject.



The next few years will again bring more exciting exposure with sports betting and professional athletics with the coming of the Golden Knights NHL hockey team, as well as the Raiders NFL team. I have made myself

very clear that I believe the safest place on the planet to place a sports wager for patron protection and regulatory oversight is the State of Nevada. Thus, I look forward to the interaction of sports wagering while having professional teams playing in our home state.

I also look forward to continuing to work with all of you in maintaining the gold standard of which we are also proud to be a part. For the record, on my desk sits many medical journals and one other that is often the first to be read by me - the *Nevada Gaming Lawyer*. Don't tell my medical school classmates.



DR. TONY ALAMO, M.D.
Chairman Nevada
Gaming Commission

Dr. Alamo is the only person in Nevada's history to have served as both Chair of the Athletic and Gaming Commissions. He is a graduate of the University of Nevada, Las Vegas and the University of Southern California (USC) School of Medicine. Dr. Alamo founded and currently practices Internal Medicine at The Alamo Medical Clinic (a multi-physician group). He has had a 19-year relationship with the Las Vegas Metropolitan Police Department

(LVMPD SWAT-SAR) as a Tactical Physician and is a past recipient of the LVMPD's medal for Valorous Conduct. Dr. Alamo is also a Commercial Pilot and avid aviator.

\$10,000

The amount in "**Gaming Law Section Scholarship**" funds that were awarded in 2017 to Lanee Danforth and Youngwoo Ban (\$5,000 each), two LL.M. students in the Gaming Law and Regulation program at the William S. Boyd School of Law at UNLV.

\$32,500

The total amount of **Gaming Law Section sponsorships in 2017**, including \$10,000 for the Robert D. Faiss Lecture Series at the Boyd School of Law; \$10,000 to co-sponsor the Gaming Law Journal at the Boyd School of Law for the 2017-18 term; \$2,500 for the Frank A. Schreck Gaming Moot Court Competition at the Boyd School of Law; \$2,000 as the Silver Hole Sponsor at the Boyd School of Law's 4th Annual Alumni Chapter Golf Tournament to be held October 20th at the Angel Park Golf Club; \$3,000 to co-sponsor the Grand Opening Reception at the new Nevada Supreme Court Building in Las Vegas; and \$5,000 for the Global Gaming Women's "Kick Up Your Heels" event.

40,992

For fiscal year 2016, the **total number of gaming employees in Nevada** (a decrease of 3.7% over the same period in 2015).

165,880

As June 30, 2017, the **total number of slot machines in Nevada** (a decrease of 2.3% over the same period in 2016), including 147,211 in nonrestricted locations (a decrease of 2.5% from 2016) and 18,669 in restricted gaming establishments (a decrease of 0.5% from 2016).

4,800,000

Per the Reno Sparks Convention and Visitors Authority, the **total visitor volume for the Reno, Sparks and Lake Tahoe areas for 2016** (a 9.6% increase over 2015).

17,584,446

Per the Las Vegas Convention and Visitors Authority, the **total visitor volume to Southern Nevada as of May 31, 2017** (a decrease of 0.5%).

\$102,337,645.00

As of June 30, 2017, the **total amount of Live Entertainment Tax** generated from gaming facilities (a decrease of 8.6% over the same period in 2016).

\$689,099,603.00

As of June 30, 2017, the **total amount of gross gaming revenue fees/tax paid** (an increase of 1.9% over the same period in 2016).

Compiled by Jeff Rodefer with the assistance of Michael Lawton, Senior Research Analyst, Tax and License Division for the Nevada Gaming Control Board.