



The Pulse of Gaming

By Tony Alamo

Let me first start by apologizing for the title. I could not resist the pun.

Next year, 2020, will be my last year on the Nevada Gaming Commission - a 12-year tenure as a Commissioner and then as Chairman. With the previous seven years as a member and Chair of the Nevada Athletic Commission, it will round out to 19 years of regulatory service for the State of Nevada. There is so much that has happened with those two industries during my tenure. As an Athletic Commissioner, in the early 2000's there was the birth of an entirely new regulated sport, mixed martial arts. It was cultivated by two local Nevadans who have been a large part of our gaming industry as well. I am very proud to have been a regulator during the growth of that new sport.

As many of you know my gaming exposure did not start 12 years ago with my appointment to the Gaming Commission. My father was in the gaming industry for nearly 45 years and I grew up in a very gaming-centric environment. My father started as a craps dealer in Harrah's Reno (my birthplace) and worked his way up to President and General Manager of several of the largest hotel/casinos in Las Vegas. As a result, I got to see "behind the curtain" from the ground up. I saw the MGM, Monte Carlo, and Mandalay Bay all built from foundation to fully operational hotel casinos. My summer job during

high school was building gaming tables and delivering chips and dice for a manufacturer called Paulson Dice and Card. This was during the years 1980-82.

I remember when Nevada was the only state with gambling and the gaming establishment was nothing more than a big box with no windows to the outside world, no clocks, and every square foot was occupied by a slot machine or some kind of gaming table. Everything else regarding the operations was run either break even or even at a deficit to get people in the door. The true important revenue was gaming. Then, in the '80s, came small competition to our state with the introduction of regulated gaming in New Jersey, but we still remained the leaders.

Those of you who are of my generation saw the decades go by with very little difference in the way we lived and conducted our lives. However, what we have seen in the last 20 years is an explosion of technology and social changes. Technology has infiltrated every part of our lives, including gaming and we as its regulators had to pivot.

We were once considered Sin City. Now, 48 states in this country have some form of regulated gaming, which has jumped our borders and become global. Many of our licensees are worldwide companies now; again technology, a major driver in their success and expansion.



Let me talk about just the last 12 years of my tenure on the Gaming Commission and the things we have seen: mobile gaming, interactive online gaming, skilled/hybrid gaming, sports betting nationwide, virtual sports betting, esports, to just name a few. Remember when professional sports chastised us for having sports betting, and now they want to partner with our licensees and collect fees.

Therefore, Nevada licensees reinvented themselves. As gaming became more competitive, we had to offer other amenities and, in 1998, the non-gaming versus gaming revenue curve switched from the bulk of revenue being gaming to now where it is nearly 70% non-gaming to 30% gaming revenues at the big brick and mortar licensees. An explosion of industries affiliated in food and beverage, night clubs, entertainment, hotel conventions, and major sports contests - all of which are very much entangled with the gaming operations and, as regulators, we needed to get involved to ensure Nevada upholds its good reputation.

Policy discussions and statements regarding entirely different industries such as night clubs, Daily Fantasy Sports (DFS) and marijuana including their potential entanglements with gaming - those things had to be sorted out.

The gaming industry will continue to morph and change, and I am proud to have been a part of a regulatory environment that helped pivot and respond to over a decade of development and change. If what is going on today is any indication on what the future of gaming will be, it will probably be unrecognizable in the very near future. Growing up and visiting my father at work, smoked filled rooms and deafening noise of coins falling into hoppers has been replaced with sweet, fragrance filled and quite large casino spaces with plenty of other distractions for gamblers to enjoy outside of making bets. Like the rest of our society, where people walk around with phones and cards that pay for everything in front of us, so too will gaming morph into a cashless/chipless experience.

As I near the end of my regulatory career, I think I would advise those that replace us to keep an open mind, to continue to listen to the licensees and industry. I have

always said the success of the Nevada Gaming Commission comes from being the “bridge between the Board and the industry.” We are the policy makers and we must continue to work to bridge the gap between strict regulation and the need to be progressive. We must “pivot” to the industry’s needs while never sacrificing the integrity that this regulatory process has provided, which continues to make gaming safe for its consumers and licensees. Nevada is the gold standard and we will, on occasion, see other jurisdictions stray and get a little too far from a safe platform. I always say, “you are only as good as your last mistake”.

Since the passing of the Nevada Gaming Control Act in 1959, this state has “never stepped on a nail” big enough to do lasting damage to our industry and we should work to prevent our licensees from stepping on any big nails. Little mistakes are inevitable, they are part of growing and learning, but when licensees are allowed to make big mistakes, they can damage not only themselves but the industry and the state as well. Preventing those big mistakes is what good regulation is all about. And I’m honored to be a part of it.



A native Nevadan, Dr. Alamo is the only person in Nevada history to have served as both chair of the Nevada Athletic and Gaming Commissions. He is a graduate of the University of Nevada Las Vegas and the University of Southern California School of Medicine. Dr. Alamo has been the Chief of Staff at 2 separate Las Vegas large hospitals and grew a 4 primary provider group practice for 25 years until two years ago when it merged with Optum Healthcare. He has published in a medical textbook and medical journals. He now serves as a Senior Medical Director for the OptumCare IPA Nevada Networks. He recently retired after a 20-year relationship with 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 flies and operates for business and pleasure a King Air Turbo-Prop Jet. He lives in Henderson with his wife Karen and son Tony Jr.

