

GOVERNOR JIM GIBBONS Gaming Policy Committee Chairman

> BRIAN DUFFRIN Executive Secretary

NEVADA GAMING COMMISSION 1919 College Parkway, P.O. Box 8003 Carson City, Nevada 89702 (775) 684-7750

> PETER BERNHARD, *Chairman* ARTHUR MARSHALL, *Member* SUE WAGNER, *Member* RADHA CHANDERRAJ, *Member* TONY ALAMO, M.D., *Member*

October 8, 2008

TO: ALL NONRESTRICTED, RESTRICTED LICENSEES, AND INTERESTED PERSONS

NOTICE OF HEARING FOR ADOPTION OF REGULATIONS AND AMENDMENTS TO REGULATIONS OF THE NEVADA GAMING COMMISSION AND STATE GAMING CONTROL BOARD

The Nevada Gaming Commission will hold a public hearing on or about the hour of 9:30 a.m. on Thursday, November 20, 2008, in Conference Room 2450, 555 East Washington Avenue, Las Vegas, Nevada for the purpose of considering adoption of the following proposed regulations and amendments to regulations:

• NGC REGULATION 1, 1.139, "INDEPENDENT ACCOUNTANT" DEFINED.

PURPOSE OF NEW REGULATION: To define the term "independent accountant" as certified public accountant licensed in any state provided that the accountant is permitted to perform services under the provisions of Chapter 628 of NRS; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

• NGC REGULATION 3, 3.015 "APPLICATIONS FOR RESTRICTED LICENSES."

PURPOSE OF AMENDMENTS: To establish that it will be an unsuitable method of operation to materially change the nature and quality of the primary business conducted at an establishment after the restricted gaming license has been granted by the Commission without the prior administrative approval of the Gaming Control Board Chairman or his designee; to establish that a material change in the nature and quality of the primary business is presumed to occur if a zoning change is required, or a new business license, special use permit, or any other license, permit or approval must be obtained from the applicable city, county, or township licensing, zoning or approval authority, in order to change or operate the primary business in a manner that is different from what was being conducted at the time the gaming license was granted; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

• NGC REGULATION 6, 6.010 "DEFINITIONS."

PURPOSE OF AMENDMENTS: To adjust the annual gross gaming revenue thresholds applicable to the definitions of Group I and II licensees. Changes to the Group I/Group II threshold correspond to the percentage increase in the "Consumer Price Index" published by the United States Department of Labor, which was 2.9% for calendar 2007; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

• NGC REGULATION 6, 6.080, "AUDITED FINANCIAL STATEMENTS."

PURPOSE OF AMENDMENTS: To adjust the annual gross gaming revenue thresholds applicable to audited and reviewed financial statements submitted by nonrestricted licensees, as required by NRS 463.159. Changes to the financial statement audit and review thresholds correspond to the percentage increase in the "Consumer Price Index" published by the United States Department of Labor, which was 2.9% for calendar 2007. To also clarify that a non-Nevada CPA may be engaged by the licensee to audit or review financial statements; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

<u>NGC REGULATION 5, 5.200, "LICENSING AND OPERATION OF AN</u> <u>INTERNATIONAL GAMING SALON</u>."

PURPOSE OF AMENDMENTS: To repeal the prohibition on slot machines accepting more than \$3,000 in coins, currency, or tokens concurrently with the repeal of the Regulation 6A prohibitions concerning cash exchanges of more than \$3,000; to update the terminology to reflect that statute no longer prefaces the term "gaming salon" with the word "international"; to remove the requirement that a licensee estimate the number of secondary patrons and guests upon a licensee noticing the Board that a gaming salon is open for play; to delete references to surveillance standards in light of Nevada Gaming Commission Regulation 5.160 and Surveillance Standard 10; to change a notification method from facsimile to electronic mail; to modify the table game minimum bet requirement; to modify the supervision requirements imposed on gaming salons; to change front money deposit financial admission criteria; to limit the amount of time a guest may be present in a gaming salon absent a present salon patron; to allow a licensee to apply for more than one gaming salon in its initial application concerning gaming salons; to delete provisions that are redundant with other law; to allow gaming salons for the purpose of maintaining existing revenue; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

 NGC REGULATION 30, 30.058, "'ASSOCIATION' DEFINED"; 30.069, "'CHAIRMAN' DEFINED"; 30.122, "'PARI-MUTUEL WAGERING' DEFINED"; 30.125, "'PLACE' DEFINED"; 30.206, "EMPLOYEES OF ASSOCIATION"; 30.271, "GROUNDS FOR REFUSAL, DENIAL, SUSPENSION, REVOCATION, OR CONDITIONING OF LICENSE"; 30.295, "LICENSING REQUIREMENTS FOR TRAINERS", 30.303, "LICENSING REQUIREMENTS FOR JOCKEYS"; 30.318, "LICENSING REQUIREMENTS FOR HORSESHOERS"; 30.319, "LICENSING REQUIREMENTS FOR PRACTICING VETERINARIANS"; 30.348, "COUPLED ENTRIES"; 30.365, "COUPLING AND UNCOUPLING OF ENTRIES FOR WAGERING," and proposed new NGC REGULATION 30.0965, "LICENSEE' DEFINED"; 30.190, "LICENSE TO CONDUCT RACING"; 30.404, "ANABOLIC STEROIDS"; 30.442, "CONSUMPTION OF INTOXICATING LIQUOR"; 30.4505, "CALCULATION OF PAYOUTS AND DISTRIBUTION OF POOLS."

PURPOSE OF AMENDMENTS AND NEW REGULATIONS: To clarify the definition of "association," "chairman," "pari-mutuel wagering," and "place;" to create a definition of "licensee;" to clarify who must be licensed to conduct racing; to clarify that all association employees and volunteers must be licensed or approved by the board; to modify the grounds for refusal, denial, suspension, revocation, or conditioning of a licensee and to include as an additional ground the failure to comply with any disciplinary action; to provide additional licensing requirements for trainers, jockeys, horseshoers and veterinarians; to clarify coupled entries; to clarify coupling and uncoupling of entries for wagering; to create a new section that limits the use in horses of anabolic steroids; to create a new section that prohibits licensees from consuming intoxicating liquor under specified circumstances: to create a new section that incorporates by reference certain provisions of the Association of Racing Commissioners Model rules regarding the calculation of payouts and distribution of pools and that creates a process for the adoption of future versions of such provisions; and to take such additional action as may be necessary and proper to effectuate these stated purposes.

The proposed regulations and regulation amendments will be considered by the Commission in accordance with the provisions of NRS 463.145 which allows that on the date and at the time and place designated, any interested person, or their duly authorized representative, or both, shall be afforded the opportunity to present statements, arguments or contentions in writing, with or without the opportunity to present the same orally.

In addition, this regulation is agendaed for discussion at the Nevada Gaming Commission meeting on Thursday, October 23, 2008, in Conference Room 100, 1919 College Parkway, Carson City, Nevada on or about the hour of 9:30 a.m.

To obtain a copy of the proposed regulation, please visit the Commission's website at http://gaming.nv.gov.

Sincerely,

Brian Duffrin Executive Secretary