

JIM GIBBONS Governor

STATE OF NEVADA GAMING CONTROL BOARD

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May 1, 2009

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TO: NONRESTRICTED LICENSEES, RACE AND SPORTS BOOK LICENSEES, AND INTERESTED PERSONS

SUBJECT: NGC REGULATION 22.120(1)(d)

With the recent commencement of professional baseball in Reno, it is appropriate to remind all Nevada licensees that their sports pools are currently prohibited from accepting wagers on baseball games played by any professional baseball team *based* in Nevada, whether such games are played within or outside Nevada. This prohibition was instituted at the request of Major League Baseball in August 1985 in accordance with the provisions contained within Nevada Gaming Commission (Commission) Regulation 22.120(1)(d) which states in pertinent part that "[n]o wager may be accepted or paid by any book on . . . [a]ny event, regardless of where it is held, involving a professional team whose home field, court, or base is in Nevada, or any event played in Nevada involving a professional team, if . . . the team's governing body files with the commission approves the request" The Commission Order instituting this professional baseball wagering ban may be reviewed per the accompanying link and, as set forth therein, shall remain in effect until such time as the Commission orders otherwise.

Additionally, with respect to subsection (1)(d) of Regulation 22.120, it is my understanding that there is some confusion throughout the gaming industry surrounding its interpretation. Specifically, it is my understanding that some licensed sports pools believe that accepting wagers on games or events involving a professional team of any professional sports league which is *based wholly or even partially in Nevada* is strictly prohibited, but that accepting wagers on games played in Nevada involving a professional team that is *based outside* of Nevada is permissible unless the team's governing body requests the Commission to prohibit such wagering and the Commission approves the request. Such an interpretation is incorrect. Instead, based upon the Board's review of the regulation history surrounding subsection (1)(d) of Regulation 22.120 and consistent with the Commission's Order referenced above which instituted the professional baseball wagering ban on games played by professional baseball teams *based* in Nevada, the governing body of any professional sports league team must obtain Commission approval in order to prohibit licensed sports pools from accepting wagers on any of its teams, regardless of where the team is based.

Further, please be advised that, although licensed sports pools are only currently prohibited from accepting wagers on any games or events involving professional baseball teams based in Nevada, in the past, the Commission has issued similar Orders prohibiting sports pools from accepting wagers on specific games and events involving professional teams of other professional leagues, such as the 2007 National Basketball Association All-Star Game. Accordingly, please note that, in the future, should the Commission, pursuant to Regulation

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22.120(1)(d), approve a request made by the governing body of any professional sports league that prohibit wagering on games or events involving one or more of its professional teams, you will be notified by an industry letter posted on this website. Thus, you are strongly encouraged to visit this website periodically to ensure that you remain in compliance with Regulation 22.120.

Finally, as a reminder, pursuant to subparagraphs (a), (b), (c), and (e) of subsection 1 of Regulation 22.120, Nevada licensed sports pools continue to be prohibited from accepting wagers on:

- Any amateur non collegiate sports or athletic event;
- Any collegiate sport or athletic event which the licensee knows or reasonably should know, is being placed by, or on behalf of a coach or participant in that collegiate event;
- The outcome of any election for any public office both within and without the State of Nevada; and
- Any event other than a horse race, greyhound race, or an athletic sports event, unless the chairman permits otherwise in writing.

If you have any questions, please feel free to contact my office at (775) 684-7743 or Las Vegas Enforcement Operations at (702) 486-2020.

Sincerely,

Randall E. Sayre Member

RES/MGW:amt

cc: Dennis K. Neilander, Chairman Mark A. Lipparelli, Member Jerry Markling, Chief, Enforcement Division Lynda Hartzell, Chief, Audit Division Brian Duffrin, Executive Secretary Records and Research Services