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5 **STATE OF NEVADA**

6 **BEFORE THE NEVADA GAMING COMMISSION**

7 NEVADA GAMING CONTROL BOARD,

8 Complainant,

9 vs.

10 SSM GAMING, LLC, dba SSM GAMING

11 Respondent.

COMPLAINT

12
13 The State of Nevada, on relation of its NEVADA GAMING CONTROL BOARD
14 (BOARD), Complainant herein, by and through its counsel, AARON D. FORD, Attorney
15 General, and JOHN S. MICHELA, Senior Deputy Attorney General, hereby files this
16 Complaint before the Nevada Gaming Commission (Commission) for disciplinary action
17 against SSM GAMING, LLC, dba SSM GAMING, herein, pursuant to Nevada Revised
18 Statute (NRS) 463.310(2), and alleges as follows:

19 **JURISDICTION**

20 1. Complainant, BOARD, is an administrative agency of the State of Nevada
21 duly organized and existing under and by virtue of Chapter 463 of NRS and is charged
22 with the administration and enforcement of the gaming laws of this State as set forth in
23 Title 41 of NRS (Nevada Gaming Control Act) and the Regulations of the Commission.

24 2. RESPONDENT, SSM GAMING, LLC, dba SSM GAMING (RESPONDENT),
25 located at 4160 South Durango Drive, Suite 140, Las Vegas, Nevada currently holds a
26 nonrestricted gaming license as an operator of a slot machine route, and, as such, is
27 charged with the responsibility of complying with all of the provisions of the Nevada
28 Gaming Control Act and the Regulations of the Commission.

1 RELEVANT LAW

2 1. The Nevada Legislature set forth the importance of the gaming industry to
3 the State of Nevada and its responsibility to the State's inhabitants in NRS 463.0129(1),
4 which provides as follows:

5 (a) The gaming industry is vitally important to the
6 economy of the State and the general welfare of the
inhabitants.

7 (b) The continued growth and success of gaming is
8 dependent upon public confidence and trust . . . that
9 establishments which hold restricted and nonrestricted licenses
where gaming is conducted and where gambling devices are
operated do not unduly impact the quality of life enjoyed by
residents of the surrounding neighborhoods

10 (c) Public confidence and trust can only be maintained
11 by strict regulation of all persons, locations, practices,
associations and activities related to the operation of licensed
gaming establishments

12 (d) All establishments where gaming is conducted and
13 where gaming devices are operated . . . must therefore be
licensed, controlled and assisted to protect the public health,
14 safety, morals, good order and general welfare of the
inhabitants of the State, to foster the stability and success of
gaming and to preserve the competitive economy and policies of
15 free competition of the State of Nevada.

16 (e) To ensure that gaming is conducted honestly,
17 competitively and free of criminal and corruptive elements, all
gaming establishments in this state must remain open to the
18 general public and the access of the general public to gaming
activities must not be restricted in any manner except as
provided by the Legislature.

19 NRS 463.0129(1).

20 2. To ensure proper oversight and control over the gaming industry, the
21 Nevada Legislature has granted the Commission "full and absolute power and authority
22 to limit, condition, restrict, revoke or suspend any license . . . or fine any person
23 licensed . . . for any cause deemed reasonable by the Commission." NRS 463.1405(4).

24 3. The BOARD is authorized to observe the conduct of licensees in order to
25 ensure that gaming operations are not being operated in an unsuitable manner or by an
26 unqualified or unsuitable person. NRS 463.1405(1) and Nev. Gaming Comm'n Reg. 5.040.

27 . . .

28 . . .

1 4. NRS 463.170 provides in relevant part as follows:

2 1. Any person who the Commission determines is
3 qualified to receive a license, to be found suitable or to receive
4 any approval required under the provisions of this chapter, or
5 to be found suitable regarding the operation of a charitable
6 lottery under the provisions of chapter 462 of NRS, having due
7 consideration for the proper protection of the health, safety,
8 morals, good order and general welfare of the inhabitants of the
9 State of Nevada and the declared policy of this State, may be
10 issued a state gaming license, be found suitable or receive any
11 approval required by this chapter, as appropriate. The burden
12 of proving an applicant's qualification to receive any license, be
13 found suitable or receive any approval required by this chapter
14 is on the applicant.

15 2. An application to receive a license or be found
16 suitable must not be granted unless the Commission is satisfied
17 that the applicant is:

18 (a) A person of good character, honesty and integrity;

19 (b) A person whose prior activities, criminal record, if
20 any, reputation, habits and associations do not pose a threat to
21 the public interest of this State or to the effective regulation
22 and control of gaming or charitable lotteries, or create or
23 enhance the dangers of unsuitable, unfair or illegal practices,
24 methods and activities in the conduct of gaming or charitable
25 lotteries or in the carrying on of the business and financial
26 arrangements incidental thereto; and

27 (c) In all other respects qualified to be licensed or found
28 suitable consistently with the declared policy of the State.

 3. A license to operate a gaming establishment or an
inter-casino linked system must not be granted unless the
applicant has satisfied the Commission that:

 (a) The applicant has adequate business probity,
competence and experience, in gaming or generally; and

 (b) The proposed financing of the entire operation is:

 (1) Adequate for the nature of the proposed operation;
and

 (2) From a suitable source.

 ↪ Any lender or other source of money or credit which the
Commission finds does not meet the standards set forth in
subsection 2 may be deemed unsuitable.

 4. An application to receive a license or be found
suitable constitutes a request for a determination of the
applicant's general character, integrity, and ability to
participate or engage in, or be associated with gaming or the
operation of a charitable lottery, as appropriate. Any written or
oral statement made in the course of an official proceeding of
the Board or Commission by any member thereof or any
witness testifying under oath which is relevant to the purpose
of the proceeding is absolutely privileged and does not impose
liability for defamation or constitute a ground for recovery in
any civil action.

...

1 8. Any person granted a license or found suitable by the
2 Commission shall continue to meet the applicable standards
3 and qualifications set forth in this section and any other
4 qualifications established by the Commission by regulation.
The failure to continue to meet such standards and
5 qualifications constitutes grounds for disciplinary action.

6 NRS 463.170(1)-(4) and (8).

7 5. The burden of proving a licensee's qualifications to continue to hold a license
8 rests at all times on the licensee. Nev. Gaming Comm'n Reg. 5.040.

9 6. Nevada Gaming Commission Regulation 5.010(1) states that "[i]t is the
10 policy of the Commission and the Board to require that all establishments wherein
11 gaming is conducted in this state be operated in a manner suitable to protect the public
12 health, safety, morals, good order and general welfare of the inhabitants of the State of
Nevada."

13 7. Nevada Gaming Commission Regulation 5.010(2) states that
14 "[r]esponsibility for the employment and maintenance of suitable methods of operation
15 rests with the licensee, and willful or persistent use or toleration of methods of operation
16 deemed unsuitable will constitute grounds for license revocation or other disciplinary
17 action."

18 8. Nevada Gaming Commission Regulation 5.011 states, in relevant part, as
19 follows:

20 1. The Board and the Commission deem any activity on
21 the part of a licensee, registrant, or person found suitable by
22 the Commission, or an agent or employee thereof, that is
23 inimical to the public health, safety, morals, good order, or
24 general welfare of the people of the State of Nevada, or that
25 would reflect or tend to reflect discredit upon the State of
Nevada or the gaming industry, to be an unsuitable method of
operation and shall be grounds for disciplinary action by the
Board and the Commission in accordance with the Nevada
Gaming Control Act and the regulations of the Commission.
The following acts or omissions, without limitation, may be
determined to be unsuitable methods of operation:

26 (a) Failure to exercise discretion and sound judgment to
27 prevent incidents which might reflect on the reputability of the State
of Nevada and act as a detriment to the development of the
industry.

28 ...

1 (h) Failure to comply with or make provision for
2 compliance with all federal, state, or local laws and regulations
3 and with all conditions and limitations approved by the
4 Commission relating to the operations of a licensed gaming
5 establishment or other gaming business . . .

6 . . .

7 (k) Failure to conduct gaming operations in accordance
8 with proper standards of custom, decorum, and decency, or
9 permit a type of conduct in a gaming establishment that
10 reflects or tends to reflect on the repute of the State of Nevada
11 and act as a detriment to the gaming industry.

12 . . .

13 2. The Commission, in the exercise of its sound
14 discretion, may make its own determination as to whether or
15 not a licensed gaming establishment or other gaming business
16 has failed to comply with a law or regulation described in
17 paragraph (h) of subsection 1, but any such determination shall
18 make use of established precedents when interpreting the
19 applicable statute. Nothing in this section affects the right of a
20 licensee to judicial review.

21 Nev. Gaming Comm'n Reg. 5.011(1)(a), (h), and (k), and (2).

22 9. NRS 463.335 provides, in relevant part:

23 2. A person may not be employed as a gaming employee
24 unless the person is temporarily registered or registered as a
25 gaming employee pursuant to this section. An applicant for
26 registration or renewal of registration as a gaming employee
27 must file an application for registration or renewal of
28 registration with the Board. Whenever a registered gaming
employee, whose registration has not expired, has not been
objected to by the Board, or has not been suspended or revoked
becomes employed as a gaming employee at another or
additional gaming establishment, the registered gaming
employee must file a change of employment notice within 10
calendar days with the Board. The application for registration
and change of employment notice must be filed through the
licensee for whom the applicant will commence or continue
working as a gaming employee, unless otherwise filed with the
Board as prescribed by regulation of the Commission. [Effective
through June 30, 2019].

29 2. A person may not be employed as a gaming employee
30 unless the person is temporarily registered or registered as a
31 gaming employee pursuant to this section. An applicant for
32 registration or renewal of registration as a gaming employee
33 must file an application for registration or renewal of

1 registration with the Board. Whenever a registered gaming
2 employee, whose registration has not expired, has not been
3 objected to by the Board, or has not been suspended or revoked:

4 (a) Becomes employed as a gaming employee at another
5 or additional gaming establishment; or

6 (b) If the registered gaming employee:

7 (1) Is a security guard and is employed in an unarmed
8 position, becomes employed in an armed position; or

9 (2) Is not a security guard and becomes employed as a
10 security guard in an unarmed or armed position,

11 ↪ the registered gaming employee must file a change of
12 employment notice within 10 calendar days with the Board. The
13 application for registration and change of employment notice must
14 be filed through the licensee for whom the applicant will commence
15 or continue working as a gaming employee, unless otherwise filed
16 with the Board as prescribed by regulation of the Commission.
17 [Effective July 1, 2019].

18 3. The Board shall prescribe the forms for the
19 application for registration as a gaming employee and the
20 change of employment notice.

21 4. A complete application for registration or renewal of
22 registration as a gaming employee or a change of employment
23 notice received by a licensee must be mailed or delivered to the
24 Board within 5 business days after receipt unless the date is
25 administratively extended by the Chairman of the Board for
26 good cause. A licensee is not responsible for the accuracy or
27 completeness of any application for registration or renewal of
28 registration as a gaming employee or any change of
employment notice. [Effective through June 30, 2019]

4. A complete application for registration or renewal of
registration as a gaming employee or a change of employment
notice received by a licensee must be submitted to the Board
before the applicant may commence or continue working as a
gaming employee. A licensee is not responsible for the accuracy
or completeness of any application for registration or renewal of
registration as a gaming employee or any change of
employment notice. [Effective July 1, 2019].

...

7. Except as otherwise prescribed by regulation of the
Commission, an applicant for registration or renewal of
registration as a gaming employee is deemed temporarily
registered as a gaming employee as of the date a complete
application of registration or renewal of registration is
submitted to the licensee for which he will commence or
continue working as a gaming employee. Unless objected to by

1 the Board or suspended or revoked, the initial registration of an
2 applicant as a gaming employee expires 5 years after the date
3 employment commences with the applicable licensee. Any
4 subsequent renewal of registration as a gaming employee,
5 unless objected to by the Board or suspended or revoked,
6 expires 5 years after the expiration date of the most recent
7 registration or renewal of registration of the gaming employee.

8 NRS 463.335 (2), (3), (4) and (7).

9 10. Nevada Gaming Commission Regulation 5.101 provides as follows: "No
10 person shall be employed as a gaming employee unless such person is temporarily
11 registered or registered as a gaming employee in accordance with NRS 463.335 and these
12 regulations." Nev. Gaming Comm'n Reg. 5.101.

13 11. Nevada Gaming Commission Regulation 5.105 states, in relevant part, as
14 follows:

15 1. A nonrestricted licensee shall not knowingly employ any
16 person as a gaming employee unless such person is temporarily
17 registered or registered as a gaming employee. A licensee shall
18 check, and may rely on, the system of records maintained by the
19 Board to verify the temporary registration, registration or
20 eligibility of a person seeking employment as a gaming employee
21 with such licensee.

22 ...

23 12. On or before the fifteenth (15th) day of each month, each
24 licensee shall enter a termination date for all gaming employees
25 terminated or separated from service within the preceding month
26 into the Board's online gaming employee registration system.
27 With regard to persons required to register pursuant to section
28 5.320, such entry shall include a truthful statement of the
reason(s) for each termination and resignation and any additional
information regarding the termination or resignation requested by
the Chair.

29 Nev. Gaming Comm'n Reg. 5.105 (1) and (12).

30 12. Nevada Gaming Commission Regulation 5.030 provides as follows:

31 Violation of any provision of the Nevada Gaming Control
32 Act or of these regulations by a licensee, the licensee's agent or
33 employee shall be deemed contrary to the public health, safety,

1 morals, good order and general welfare of the inhabitants of the
2 State of Nevada and grounds for suspension or revocation of a
3 license. Acceptance of a state gaming license or renewal thereof
4 by a licensee constitutes an agreement on the part of the
5 licensee to be bound by all of the regulations of the Commission
as the same now are or may hereafter be amended or
promulgated. It is the responsibility of the licensee to keep
informed of the content of all such regulations, and ignorance
thereof will not excuse violations.

6 Nev. Gaming Comm'n Reg. 5.030.

7 13. Nevada Revised Statute 463.310 states in relevant part as follows:

8 1. The Board shall make appropriate investigations:

9 (a) To determine whether there has been any violation
of this chapter or chapter 462, 464, 465 or 466 of NRS or any
10 regulations adopted thereunder.

11 (b) To determine any facts, conditions, practices or
matters which it may deem necessary or proper to aid in the
enforcement of any such law or regulation.

12 . . .

13 2. If, after any investigation the Board is satisfied that:

14 (a) A license, registration, finding of suitability,
preliminary finding of suitability, pari-mutuel license or prior
15 approval by the Commission of any transaction for which the
approval was required or permitted under the provisions of this
chapter or chapter 462, 464 or 466 of NRS should be limited,
16 conditioned, suspended or revoked; or

17 (b) A person or entity which is licensed, registered,
found suitable pursuant to this chapter or chapter 464 of NRS
or which previously obtained approval for any act or
18 transaction for which Commission approval was required or
permitted under the provisions of this chapter or chapter 464 of
19 NRS should be fined,

20 the Board shall initiate a hearing before the Commission by
filing a complaint with the Commission in accordance with NRS
463.312 and transmit therewith a summary of evidence in its
21 possession bearing on the matter and the transcript of
testimony at any investigative hearing conducted by or on
22 behalf of the Board.

23 NRS 463.310(1)(a) and (b), and (2).

24 BACKGROUND

25 14. On or about July 30, 2014, the BOARD issued a violation letter (Violation
26 Letter) to RESPONDENT concerning gaming employee registration violations. The
27 Violation Letter noted four gaming employees of RESPONDENT had not been registered
28 with the BOARD.

1 22. RESPONDENT registered Ms. Thibodeau as an accounting person on or
2 about July 14, 2014.

3 23. Ms. Thibodeau's gaming employee registration expired on July 14, 2019.

4 24. Ms. Thibodeau's gaming employee registration was renewed on May 14,
5 2020.

6 25. Ms. Thibodeau worked as a gaming employee for RESPONDENT through at
7 least March 17, 2020, and, based on information and belief, worked in her capacity as an
8 accounting person through May 14, 2020.

9 26. Ms. Thibodeau worked for RESPONDENT during this approximately 8- to
10 10-month period with an expired gaming employee registration.

11 27. RESPONDENT's actions as set out above are a violation of Nevada Revised
12 Statute 463.335 and Nevada Gaming Commission Regulations 5.011, 5.101, and/or 5.105.
13 This constitutes an unsuitable method of operation, and, as such, is grounds for
14 disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), 5.011 and 5.030.

15 **COUNT TWO**
16 **VIOLATION OF NEVADA REVISED STATUTE 463.335 AND**
 NEVADA GAMING COMMISSION REGULATIONS 5.011, 5.101, AND/OR 5.105

17 28. The BOARD realleges and incorporates the above paragraphs by reference
18 as though set forth in full herein.

19 29. RESPONDENT registered Mr. Escobido as a slot machine mechanic on or
20 about July 14, 2014.

21 30. Mr. Escobido's gaming employee registration expired on July 14, 2019.

22 31. Mr. Escobido continued working as a gaming employee for RESPONDENT
23 through at least March 17, 2020, approximately 8 months, with an expired gaming
24 employee registration.

25 32. Mr. Escobido's gaming employee registration was renewed on May 14, 2020.

26 33. RESPONDENT's actions as set out above are a violation of Nevada Revised
27 Statute 463.335 and Nevada Gaming Commission Regulations 5.011, 5.101, and/or 5.105.

28 . . .

1 46. RESPONDENT's actions as set out above are a violation of Nevada Revised
2 Statute 463.335 and Nevada Gaming Commission Regulations 5.011, 5.101, and/or 5.105.
3 This constitutes an unsuitable method of operation, and, as such, is grounds for
4 disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), 5.011 and 5.030.

5 **COUNT FIVE**
6 **VIOLATION OF NEVADA REVISED STATUTE 463.335 AND**
7 **NEVADA GAMING COMMISSION REGULATIONS 5.011, 5.101, AND/OR 5.105**

8 47. The BOARD realleges and incorporates the above paragraphs by reference
9 as though set forth in full herein.

10 48. RESPONDENT terminated Mr. Nelson's employment with RESPONDENT
11 on March 18, 2020.

12 49. RESPONDENT failed to enter a termination date for Mr. Nelson into the
13 Board's online gaming employee registration system by April 15, 2020.

14 50. RESPONDENT did not enter a termination date for Mr. Nelson into the
15 Board's online gaming employee registration system until May 8, 2020.

16 51. RESPONDENT's actions as set out above are a violation of Nevada Revised
17 Statute 463.335 and Nevada Gaming Commission Regulations 5.011, 5.101, and/or 5.105.
18 This constitutes an unsuitable method of operation, and, as such, is grounds for
19 disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2), 5.011 and 5.030.

20 **PRAYER FOR RELIEF**

21 WHEREFORE, based upon the allegations contained herein, which constitute
22 reasonable cause for disciplinary action against RESPONDENT, pursuant to NRS
23 463.310 and/or NGC Regulations 5.010, 5.011, and/or 5.030, the Board prays for relief as
24 follows:

25 1. That the Commission serve a copy of this Complaint on RESPONDENT
26 pursuant to NRS 463.312(2);

27 2. That the Commission fine RESPONDENT a monetary sum pursuant to the
28 parameters defined at NRS 463.310(4) for each separate violation of the provisions of the
Nevada Gaming Control Act or the Regulations of the Commission;

1 3. That the Commission take action against RESPONDENT'S licenses
2 pursuant to the parameters defined in NRS 463.310(4); and

3 4. For such other and further relief as the Commission may deem just and
4 proper.

5 DATED this 14th day of October, 2020.

6 NEVADA GAMING CONTROL BOARD

7 

8 SANDRA MORGAN, Chairwoman

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10 

11 TERRY JOHNSON, Member

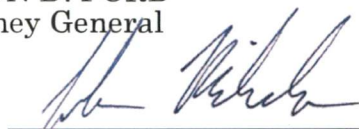
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13 PHILIP KATSAROS, Member

14 Submitted by:

15 AARON D. FORD
16 Attorney General

17 By:



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19 Senior Deputy Attorney General
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