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STATE OF NEVADA

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BEFORE THE NEVADA GAMING COMMISSION

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NEVADA GAMING CONTROL BOARD,

8

Complainant,

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vs.

COMPLAINT

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FAMILY FOOD MART PARTNERSHIP,
dba FAMILY FOOD MART

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Respondent.

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The State of Nevada, on relation of its NEVADA GAMING CONTROL BOARD (BOARD), Complainant herein, by and through its counsel, AARON D. FORD, Attorney General, and JOHN S. MICHELA, Senior Deputy Attorney General, hereby files this Complaint before the Nevada Gaming Commission (Commission) for disciplinary action against FAMILY FOOD MART PARTNERSHIP, dba FAMILY FOOD MART, RESPONDENT herein, pursuant to Nevada Revised Statute (NRS) 463.310(2), and alleges as follows:

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JURISDICTION

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

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2. RESPONDENT, located at 1102 Fremont Street, Las Vegas, Nevada, holds a restricted gaming license.

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1 RELEVANT LAW

2 3. The Nevada Legislature sets 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 in relevant part 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
10 where gaming is conducted and where gambling devices are
11 operated do not unduly impact the quality of life enjoyed by
12 residents of the surrounding neighborhoods

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

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

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

NRS 463.0129(1).

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

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

6. Nevada Revised Statute 463.170 provides in relevant part as follows:

1. Any person who the Commission determines is
qualified to receive a license, to be found suitable or to receive
any approval required under the provisions of this chapter, or to

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

11 2. An application to receive a license or be found suitable
12 must not be granted unless the Commission is satisfied that the
13 applicant is:

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

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

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

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

28 (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.

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

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

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

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

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

11 10. Nevada Gaming Commission Regulation 5.011 states, in relevant part, as
12 follows:

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

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

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30 (h) Failure to comply with or make provision for
31 compliance with all federal, state, or local laws and regulations
32 and with all conditions and limitations approved by the
33 Commission relating to the operations of a licensed gaming
34 establishment or other gaming business . . .

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36 (k) Failure to conduct gaming operations in accordance
37 with proper standards of custom, decorum, and decency, or
38 permit a type of conduct in a gaming establishment that reflects
or tends to reflect on the repute of the State of Nevada and act

1 as a detriment to the gaming industry.

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3 2. The Commission, in the exercise of its sound
4 discretion, may make its own determination as to whether or not
5 a licensed gaming establishment or other gaming business has
6 failed to comply with a law or regulation described in paragraph
7 (h) of subsection 1, but any such determination shall make use
8 of established precedents when interpreting the applicable
9 statute. Nothing in this section affects the right of a licensee to
10 judicial review.

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

12 11. Nevada Revised Statute 453.321 provides in relevant part:

13 1. Except as authorized by the provisions of NRS 453.011
14 to 453.552, inclusive, it is unlawful for a person to:

15 (a) Import, transport, sell, exchange, barter, supply,
16 prescribe, dispense, give away or administer a controlled or
17 counterfeit substance.

18 NRS 453.321 (1)(a).

19 12. Nevada Revised Statute 453.031 provides: "Board' means the State Board of
20 Pharmacy."

21 13. Nevada Revised Statute 463.146 provides in relevant part: "1. The Board shall
22 administer the provisions of NRS 453.011 to 453.552, inclusive, and may add substances
23 to or delete or reschedule all substances enumerated in schedules I, II, III, IV and V by
24 regulation."

25 14. Nevada Administrative Code 453.510 provides in relevant part:

26 1. Schedule I consists of the drugs and other substances
27 listed in this section by whatever official, common, usual,
28 chemical or trade name designated.

29

30 7. Unless specifically excepted or unless listed in another
31 schedule, any material, compound, mixture or preparation which
32 contains any quantity of the following substances having a
33 stimulant effect on the central nervous system, including,
34 without limitation, their salts, isomers and salts of isomers:

35

36 Methamphetamine;

37 NAC 453.510 (1) and (7).

1 15. Clark County Code 8.20.465 states in relevant part as follows:

2 It is the affirmative duty of each holder of an alcoholic
3 liquor license to strictly enforce all the provisions of this code and
4 state statutes in the licensed establishment, and without
5 limiting the generality of the foregoing, each holder of a liquor
6 license must:

7 (a) Maintain and conduct all activities upon the premises
8 in a decent, orderly and respectful manner and shall not
9 knowingly permit within or upon the licensed premises any lewd
10 activity, nudity, or topless activity (except in those limited
11 circumstances which are enumerated in Section 8.20.570),
12 disorder, disturbances, or other activities which endanger the
13 health or safety of the patrons or disrupt the peace or order of
14 the neighborhood.

15 Clark County Code 8.20.465(a).

16 16. Clark County Code 8.20.570 states in relevant part as follows:

17 The board may deem that any activity on the part of the
18 licensee, his agents, servants or employees, or a person
19 previously found suitable, which is inimical to the public health,
20 safety, morals, good order, or general welfare of the people of the
21 county or which would reflect or tend to reflect discredit upon the
22 county or the liquor industry or which violates any ordinance or
23 regulation of the board or any other violation of federal law or
24 regulation, state statute or the Clark County Code is grounds for
25 disciplinary action in accordance with Chapter 8.08 of this code.
26 Without limiting the generality of the foregoing, all licensees are
27 declared to be subject to disciplinary action for any of the
28 following violations done either personally or through an agent,
29 servant, or employee:

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31 (f) Each licensee who knowingly allows his licensed
32 premises to be frequented by or to become the meeting place,
33 hangout or rendezvous for prostitutes, known hoodlums, persons
34 described as undesirables in liquor operations or those who are
35 known to engage in the use or distribution of illegal narcotics or
36 in any other illegal occupation or business. Any licensee
37 knowingly permitting such conditions on the licensed premises
38 may be subject to all forms of disciplinary action, including but
39 not limited to, provisional suspension of his license, pending
40 elimination of the indicated violation. Disciplinary action for
41 permitting any such violation may be initiated against the
42 licensee for failure to eliminate the same by affirmative
43 corrective action for a period of ten days from the date of written
44 notice of the existence of any such condition or violation.

45 Clark County Code 8.20.570(f).

46 17. Nevada Gaming Commission Regulation 5.030 provides as follows:

1 Violation of any provision of the Nevada Gaming Control
2 Act or of these regulations by a licensee, the licensee's agent or
3 employee shall be deemed contrary to the public health, safety,
4 morals, good order and general welfare of the inhabitants of the
5 State of Nevada and grounds for suspension or revocation of a
6 license. Acceptance of a state gaming license or renewal thereof
7 by a licensee constitutes an agreement on the part of the licensee
8 to be bound by all of the regulations of the Commission as the
9 same now are or may hereafter be amended or promulgated. It
10 is the responsibility of the licensee to keep informed of the
11 content of all such regulations, and ignorance thereof will not
12 excuse violations.

13 Nev. Gaming Comm'n Reg. 5.030.

14 18. Nevada Revised Statute 463.310 states in relevant part as follows:

15 1. The Board shall make appropriate investigations:

16 (a) To determine whether there has been any violation of
17 this chapter or chapter 368A, 462, 464, 465 or 466 of NRS or any
18 regulations adopted thereunder.

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

22

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

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

(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 transaction for
which Commission approval was required or permitted under
the provisions of this chapter or chapter 464 of NRS should be
fined,

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
possession bearing on the matter and the transcript of testimony
at any investigative hearing conducted by or on behalf of the
Board.

3. Upon receipt of the complaint of the Board, the
Commission shall review the complaint and all matter presented
in support thereof, and shall conduct further proceedings in
accordance with NRS 463.3125 to 463.3145, inclusive.

4. After the provisions of subsections 1, 2 and 3 have been
complied with, the Commission may:

(a) Limit, condition, suspend or revoke the license of any
licensed gaming establishment or the individual license of any
licensee without affecting the license of the establishment . . .

1 NRS 463.310(1)(a) and (b), (2), (3), and (4)(a).

2 **COUNT I**
3 **VIOLATION OF NRS 463.170 and/or NEVADA GAMING COMMISSION**
4 **REGULATIONS 5.010 and/or 5.011**

5 19. The BOARD realleges and incorporates the above paragraphs by reference as
6 though set forth in full herein.

7 20. During May of 2021, the Las Vegas Metropolitan Police Department (Metro)
8 received numerous complaints concerning allegations that illegal drugs were being sold out
9 of the location of RESPONDENT. Based on these complaints, Metro commenced an
10 investigation.

11 21. During the week of June 21, 2021, Metro, through the use of a confidential
12 informant (CI), was able to purchase .62 grams of methamphetamine inside of the location
13 of RESPONDENT.

14 22. To make this purchase, the CI first stated a code phrase to a cashier of
15 RESPONDENT.

16 23. Upon the CI giving her the code phrase, the cashier directed the CI to a person
17 sitting at a slot machine in the gaming area of RESPONDENT.

18 24. The CI approached the person sitting at the slot machine and was able to
19 purchase 0.62 grams of methamphetamine from said person and while within the gaming
20 area of RESPONDENT.

21 25. RESPONDENT failed to take action to prevent the above from occurring.

22 26. By itself and/or in conjunction with the actions contained in the other count
23 of this Complaint, this failure to prevent the above reflects or tends to reflect poorly on the
24 reputation of gaming in the State of Nevada and/or acts as a detriment to the development
25 of the gaming industry and/or reflects or tends to reflect discredit upon the State of Nevada
26 or the gaming industry.

27 27. RESPONDENT'S actions as set out above are a violation of NRS 463.170(8)
28 and/or Nev. Gaming Comm'n Regs. 5.010 and/or 5.011. This constitutes an unsuitable

1 method of operation, and, as such, is grounds for disciplinary action. *See Nev. Gaming*
2 *Comm'n Regs. 5.010(2), 5.011 and 5.030.*

3 **COUNT II**
4 **VIOLATION OF NRS 463.170 and/or NEVADA GAMING COMMISSION**
5 **REGULATIONS 5.010 and/or 5.011**

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

8 29. During the week of June 28, 2021, Metro, through the use of a CI, was able to
9 purchase 1.36 grams of methamphetamine inside of the location of RESPONDENT.

10 30. To make this purchase, the CI first stated a code phrase to a cashier of
11 RESPONDENT.

12 31. Upon the CI giving her the code phrase, the cashier directed the CI to a person
13 present in the gaming area of RESPONDENT.

14 32. The CI approached the person present in the gaming area and was able to
15 purchase 1.36 grams of methamphetamine from said person and while within the gaming
16 area of RESPONDENT.

17 33. The CI reported to Metro that this purchase took place in full view of the
18 cashier, and the person selling the methamphetamine did not attempt to hide the
19 transaction from the cashier.

20 34. RESPONDENT failed to take action to prevent the above from occurring.

21 35. By itself and/or in conjunction with the actions contained in the other count
22 of this Complaint, this failure to prevent the above reflects or tends to reflect poorly on the
23 reputation of gaming in the State of Nevada and/or acts as a detriment to the development
24 of the gaming industry and/or reflects or tends to reflect discredit upon the State of Nevada
25 or the gaming industry.

26 36. RESPONDENT'S actions as set out above are a violation of NRS 463.170(8)
27 and/or Nev. Gaming Comm'n Regs. 5.010 and/or 5.011. This constitutes an unsuitable
28 method of operation, and, as such, is grounds for disciplinary action. *See Nev. Gaming*
Comm'n Regs. 5.010(2), 5.011 and 5.030.

1 **PRAYER FOR RELIEF**

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

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

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

10 3. That the Commission take action against RESPONDENT'S license pursuant
11 to the parameters defined in NRS 463.310(4); and

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

14 DATED this 20th day of October, 2021.

15 NEVADA GAMING CONTROL BOARD

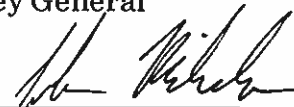
16 
17 J. BRIN GIBSON, Chairman

18 
19 PHILIP KATSAROS, Member

20 
21 BRITTNIE WATKINS, Member

22 Submitted by:

23 AARON D. FORD
24 Attorney General

25 By: 
26 JOHN S. MICHELA
27 Senior Deputy Attorney General
28 Gaming Division
(775) 687-2118