

PROPOSED AMENDMENTS TO
NEVADA GAMING COMMISSION REGULATION 9.020

Draft Dated: 01/10/2025

PURPOSE STATEMENT: To amend Nevada Gaming Commission (“NGC”) Regulation 9.020 to provide the process by which a person may seek the administrative approval from the Chair of the Nevada Gaming Control Board (Board) provided in NRS 463.1725; To amend NGC Regulation 9.020 to provide the time period by which a person must seek the administrative approval from the Board’s Chair provided in NRS 463.1725; To amend NGC Regulation 9.020 to clarify that the requirements set forth in the section apply to all licensed gaming businesses, not just to licensed gaming establishments; To amend NGC Regulation 9.020 to update and clarify the requirements relating to the estates of deceased or disabled persons; To amend NGC Regulation 9.020 to make various non-substantive edits to conform with current regulation formatting standards; And to take such additional actions as may be necessary and proper to effectuate this stated purpose.

EFFECTIVE DATE: Effective upon adoption by the Nevada Gaming Commission.

EXPLANATION: Matter in *blue italics* is new language added in the draft dated 1/07/2025; matter in *green italics underlined* is new language added to current draft; matter between ~~red brackets with single strikethrough~~ is material to be omitted; and matter between ~~orange brackets underlined with single strikethrough~~ is material added in the draft dated 1/07/2025 that is omitted in the current draft.

REGULATION 9

CLOSING OF BUSINESS; DEATH OR DISABILITY; INSOLVENCY

9.020 Death or disability of licensee.

1. In the event of the death or judicially established disability of a licensee or a ~~stockholder of a corporate licensee, the~~ *person who has an ownership interest in a licensed gaming business, one of the following individuals shall immediately notify the Board of the death or disability:*

(a) *The spouse, next of kin, heir, personal representative, or guardian of ~~such~~ the deceased or disabled person ~~or the~~;*

(b) *The person in charge of the licensed ~~establishment,~~ gaming business; or ~~the~~*

~~[in the case of a corporate licensee, a managing officer of such corporation, shall notify the Board immediately of the fact of such death or disability]~~

(c) An authorized representative of the legal entity to whom the gaming license of the licensed gaming business has been issued.

2. To participate in the operation of the licensed gaming business or receive proceeds therefrom, the spouse, next of kin, heir, personal representative, or guardian of the deceased or disabled person must:

(a) Hold a license authorizing such participation or receipt;

(b) Receive administrative approval from the Board Chair pursuant to subsection 1 of NRS 463.1725; or

(b) Obtain a temporary license as described in this section.

3. Unless extended by the Chair pursuant to subsection 4, an application for administrative approval or a temporary license described in subsection 2 must be ~~submitted~~ filed within 90 days of:

(a) ~~The~~ If no court order is required to transfer control or ownership of the deceased person's interest, the deceased person's death;

(b) The issuance of the court order transferring control or ownership of the deceased person's interest; or

(c) The ~~judicial establishment of~~ issuance of the court order establishing the person's disability.

4. The Chair may, in the Chair's sole and absolute discretion, extend the time period in which the application described in subsection 3 must be ~~submitted~~ filed. Any request for an extension must be submitted in writing to the Chair prior to the expiration of the 90-day time period described in subsection 3.

5. A person who has ~~submitted~~ filed an application pursuant to subsection 3 may not participate in the operation of the licensed gaming business or receive proceeds therefrom, nor shall a licensee allow such participation or receipt of proceeds, until the administrative approval or temporary license is granted, or until the Board Chair authorizes otherwise. Any such authorization by the Board Chair shall be at the Chair's sole and absolute discretion and subject to any limitation or

condition the Chair deems appropriate and necessary.

6. Upon providing the Board with a copy of the trust or court order establishing authority to act on behalf of the deceased person's estate or the disabled person, a person who has filed an application pursuant to subsection 3 may file the necessary applications for the transfer of the deceased or disabled person's ownership interest.

~~6.1~~ 7. In regard to an administrative approval described in this section, as provided in subsections 2 and 3 of NRS 463.1725:

(a) The Chair may condition or limit the administrative approval in any manner the Chair deems necessary and appropriate.

(b) The person to whom the administrative approval has been granted:

(1) Is subject to the same jurisdiction of the Board and Commission as that of a licensee or person found suitable by the Commission; and

(2) Shall comply with all applicable requirements of the Nevada Gaming Control Act and the regulations adopted thereunder and may be subjected to disciplinary action for noncompliance thereof.

~~(c) Once the administrative approval has been granted, a representative of the deceased or disabled person's estate may file the necessary applications to transfer the deceased or disabled person's ownership interest in the licensed gaming business out of the deceased or disabled person's estate.~~

~~7.1~~ 8. In regard to a temporary license described in this section:

(a) The Board may, in its discretion, recommend to the Commission that the license be limited to such time period and subject to such conditions as the Board may deem necessary and appropriate.

(b) The person to whom the license has been issued may participate in the operation of the gaming business and receive proceeds therefrom.

(c) The license may not be assigned in whole or in part.

~~8.1~~ 9. For purposes of this section, the term "licensed gaming business" means a business that maintains a:

(a) Nonrestricted license as defined in NRS 463.0177;

(b) Restricted license as defined in NRS 463.0189;

(c) Manufacturer's, seller's, or distributor's license as defined in NRS 463.0173;

or

(d) License to operate interactive gaming, license to manufacture an interactive gaming system, or an interactive gaming service provider license as defined in NRS 463.750.

~~{2. In case such deceased or disabled person is the sole licensee for an establishment, the Board Chair may, in the Chair's sole and absolute discretion, authorize the spouse, next of kin, personal representative or guardian of such person to continue the operation of such establishment pending action on an application by such spouse, next of kin, personal representative, or guardian for a license to operate such establishment.—~~

~~3. In any case in which the interest held by such deceased or disabled person in any licensed establishment would pass by operation of law or otherwise to the person's estate or to any person other than a co-licensee, such person or the personal representative or guardian of the deceased or disabled person shall, within 30 days after the date of death or disability, make application to the Board for a temporary license as successor in interest, representative, or guardian, whichever is appropriate.—~~

~~4. The Board may, in its discretion and if satisfied of the necessity of such action, recommend to the Commission that a temporary license be issued to the applicant for such period of time as it may deem necessary. Such temporary license will entitle the person named therein to take part in the operation of such establishment and to receive profits therefrom as successor in interest, representative or guardian of the deceased or disabled person. Such temporary license may not be assigned in whole or in part.—~~

~~5. No licensee shall permit any spouse, heir, next of kin, personal representative, or guardian to take part in the operation of the licensed establishment, nor pay over to such person any part of the profits of such operation which accrue after the date of death or disability, unless such person is either a co-licensee or the holder of a temporary license as successor in interest, representative, or guardian.]~~