

CLOSING REMARKS

By Deborah J. Fuetsch



In March of 2016, I received a call from Governor Brian Sandoval, who wanted to discuss the vacancy on the Nevada Gaming Commission (the “NGC”). Having known Governor Sandoval for some time, and having been in the banking industry for 25 years, the call was certainly unexpected but not out of my realm. What was unusual was his waxing on about the importance of the NGC. As a life-long Nevadan, I certainly understood its significance. With increased scrutiny on money laundering and licensee financial stability, the parallel between gaming and banking had become more evident. Though my gaming/banking experience was primarily related to the manufacturing side of the industry, and I was no gaming expert, I racked my brain over who could fill this spot. Some moments passed during the phone call before I realized the Governor’s championing of the NGC was a prelude to him asking me to step into the prestigious position.



Looking back, I realize that saying “yes” was the most important decision of my professional career. Governor Sandoval entrusted me with maintaining the “Gold Standard” of Nevada’s gaming industry. He believed my background in business, banking, and finance would provide a unique perspective on the NGC, which at that time consisted of a physician, a business owner and retired politician, an attorney, and a retired Chief Judge of the U.S. District Court for Nevada. Having the ability to conduct meaningful and constructive discussions on topics like the Bank Secrecy Act (BSA), Anti Money Laundering (AML), compliance and detailed financial analysis are vital to the application and approval process. The events of 2020 put my particular expertise to the test. Demonstrating an understanding of a licensee’s access to markets, cash flow/cash burn, liquidity and leverage provided significant insight into the possibility of survival versus default during our shut down and the expected slow road to recovery.

This past year was like no other. Of all the buzzwords in the gaming industry—omni-channel, cashless, REITs, SPACs—the two most important words in 2020 were not traditionally related to gaming or technology. Two very simple concepts became the heart of the mission of the NGC and the Nevada Gaming Control Board (the “GCB”): **HEALTH** and **SAFETY**.

As a spreading illness turned into a deadly pandemic, our gaming regulatory leadership took on a role that was unprecedented in our history. Although our top priority has always been to safeguard Nevada’s patrons and employees, this depth of health and safety was unusual. Former GCB Chair Sandra Douglass Morgan and her successor, Brin Gibson, worked endless hours to develop and implement regulations and protocols for the gaming industry under state and national mandates. This was an incredibly difficult endeavor. Under the careful guidance of the GCB, Nevada’s largest, and most economically significant, industry was paralyzed as we turned off the lights on March 18, 2020. Just as the virus proved to be dynamic, changing and evolving on a daily basis, so too were the needs of our industry, forcing regulators to enact numerous emergency directives to meet government requirements and maintain the health and safety of the gaming community. What emerged was

truly transformational. “People Before Profits” and “Family Above Fear,” became common themes. Food pantries, vaccination clinics, employee assistance programs – the emphasis was on humanity, unity, resilience and care of those not just within our industry, but entire communities.

As we enter the third quarter of 2021, Nevada is healing. A slow and methodical process, the neon lights are back on and the doors have reopened. We are starting to see the faces of travelers from around the globe and income statements are turning from red to black. The pandemic caused devastating losses, both personal and professional, which are heartbreaking, and frankly, unimaginable. But as an industry, with patience and perseverance, we continue to be Nevada Strong.

During my tenure, the NGC has always attempted to balance the interests of the gaming industry while relying on the proven expertise of the GCB. Over the past five years, amendments were made to over a dozen gaming regulations, always striving to keep in mind the balance between industry needs, patron desires, technical developments, responsible gaming and what is truly best for our state. This task has not always been easy, but I am confident the changes provide the flexibility to innovate, with the necessary and appropriate patron and employee protections. The most significant change during my term, and the





I fulfilled my duty as a regulator with honesty, integrity, thoughtful analysis and independence. I have not always agreed with my fellow Commissioners, but that is absolutely acceptable and necessary at times. I carefully prepared each month by attending the GCB monthly meetings, reading every page of comprehensive investigations and reviewing available public information. When it came time for deliberation at each NGC meeting, I followed my gut, my heart and relied on my experience; keeping an open mind, listening, learning and acting as a guardian of our industry's employees and patrons. I do not regret a single vote and confidently stand behind every yea or nay.

I am grateful to Governor Sandoval, Governor Steve Sisolak, and GCB Chairs A.G. Burnett, Becky Harris, Sandra Douglass Morgan and Brin Gibson, and NGC Chairs Dr. Tony Alamo and John Moran, Jr. for their leadership and trust during my tenure. It has been an honor to serve my state and to have had the opportunity to work with these exemplary Nevadans. I also want to extend my sincere appreciation to the

achievement that brings me the most pride, are those amendments made to NGC Regulation 5 in 2019 and 2020. Under the leadership of Chair Sandra Douglass Morgan, the changes shine a light on all-inclusive gaming business protocols focused on disciplinary action, written policies and procedures prohibiting workplace discrimination and harassment, while promoting equity and inclusion. New reporting and compliance provisions emphasize careful investigation of any reporting of a violation, not only by persons within the gaming organization, but those outside, including customers, vendors, and contractors I know the GCB and the NGC will monitor Regulation 5 compliance carefully and disciplinary action will be taken when the safety of any individual is threatened by passive ignorance of a gaming business. These changes were frankly overdue and I commend Chair Morgan for her straightforward and common sense approach.

With my departure in June, I hope my successor will have a strong financial background and provide an alternate perspective to the prominent legal expertise of the four sitting members. The Nevada Legislature was clear in its intention that "the Commission shall be composed of the most qualified persons available, preferably no two of whom shall be of the same profession or major field of industry; but no person actively engaged or having a direct pecuniary interest in gaming activities shall be a member of the Commission." See NRS § 463.023(3). I firmly believe that the gaming industry, state stakeholders, and Nevada's regulatory framework would be best served to have an NGC comprised of individuals from a broad range of professions.

GCB staff who watch over our industry on a daily basis, their dedication, time and talent cannot be overlooked. Lastly, to all the *Nevada Gaming Lawyer* professionals, thank you for advising and protecting our licensees and patrons with diligence and tenacity. Your contribution to the success of the Nevada gaming industry is undeniable. After a short break to focus on my growing family, and myself I do hope to return to Nevada's gaming industry in some capacity. I have so much love and respect for this business and look forward to being a part of it's future. We are and will continue to be the "Gold Standard" of gaming regulation.

