



## NEVADA GAMING COMMISSION

1919 College Parkway, P.O. Box 8003  
Carson City, Nevada 89702  
(775) 684-7750

JOE LOMBARDO  
*Governor*

NICOLE RUPERT  
*Executive Secretary*

HON. JENNIFER TOGLIATTI (RET.), *Chair*  
ROSA SOLIS-RAINEY, *Member*  
HON. BRIAN KROLICKI (RET.), *Member*  
GEORGE M. MARKANTONIS, *Member*  
JUSTICE ABBI SILVER (RET.), *Member*

### AMENDED NOTICE OF INTENT TO ACT UPON A REGULATION\*

\* This notice has been amended due to a change of the meeting location from Las Vegas to Boulder City and a change in the hearing date from October 24, 2024, to December 19, 2024.

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Notice # 2024-76

Issuer: Executive Secretary

**DATE:** October 23, 2024

**TO:** ALL LICENSEES AND OTHER INTERESTED PERSONS

**SUBJECT:** 2024-02R: NOTICE OF HEARING FOR THE ADOPTION, AMENDMENT AND REPEAL OF PERMANENT REGULATIONS OF THE NEVADA GAMING COMMISSION RELATING TO THE ADMINISTRATION OF THE LIVE ENTERTAINMENT TAX (LCB File No. R063-24P).

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Pursuant to *Nevada Revised Statutes* (NRS) 368A.140(1), the Nevada Gaming Commission (NGC) will hold a public hearing to consider the adoption, amendment, or repeal of the regulation(s) stated below.

The public hearing will be held on or about the hour of 10:00 a.m. on December 19, 2024, at the following locations:

**Boulder City Council Chamber  
401 California Avenue  
Boulder City, Nevada 89005**

**and via video conference at the  
Nevada Gaming Control Board Office  
1919 College Parkway  
Carson City, Nevada 89706**

(As a courtesy, these proceedings will be videocast to the Nevada Gaming Control Board offices in Carson City. In the event technical difficulties prevent these proceedings from being videocast, the NGC, at its discretion, may conduct the hearing without the proceedings being video cast.)

**2024-02R: POSSIBLE ADOPTION, AMENDMENT, AND REPEAL OF PERMANENT REGULATIONS OF THE NEVADA GAMING COMMISSION RELATING TO THE ADMINISTRATION OF THE LIVE ENTERTAINMENT TAX.**

For Possible Action

**PURPOSE:** To receive comments from all interested persons regarding the adoption, amendment, and repeal of regulations that pertain to Chapter 368A of the *Nevada Administrative Code* (NAC) (Nevada’s Live Entertainment Tax). The NGC will receive testimony from all interested persons and consider and take action on the adoption, amendment, and repeal of proposed permanent regulations of the NAC as identified in **LCB File No. R063-24P**. If no person directly affected by the proposed action appears to request time to make an oral presentation, the NGC may proceed immediately to act upon written submissions.

**A. The Need for, and Purpose of, the Proposed Permanent Regulations.**

The need and purpose of the proposed permanent regulations identified in LCB File No. R063-24P are to: (1) remove the provision requiring a group I gaming licensee that provides live entertainment to include in its system of internal control a description of the procedures adopted by the licensee to comply with NAC 368A.300 to 368A.540; (2) remove the provision requiring a group I gaming licensee that provides live entertainment to direct its independent accountant to perform certain actions and report the finding resulting therefrom to the Nevada Gaming Control Board; (3) remove the provision requiring the internal auditor of a group I gaming licensee to perform certain acts and report the findings therefrom to the Nevada Gaming Control Board; and (4) provide other matters properly relating thereto.

**B. Terms, or Substance of the Proposed Permanent Regulations or Description of the Subjects and Issues Involved.**

1. **Section 1** of the proposed regulation:

- a. Removes the provision requiring a group I gaming licensee that provides live entertainment to include in its system of internal control a description of the procedures adopted by the licensee to comply with NAC 368A.300 to 368A.540.
- b. Removes the provision requiring a group I gaming licensee that provides live entertainment to direct its independent accountant to perform certain actions and report the finding resulting therefrom to the Nevada Gaming Control Board.
- c. Removes the provision requiring the internal auditor of a group I gaming licensee to perform certain acts and report the findings therefrom to the Nevada Gaming Control Board.
- d. Provide other matters properly relating to the above.

**C. How to Obtain the Approved or Revised Text of the Proposed Regulation Prepared by the Legislative Counsel Bureau.**

The text of the proposed regulation is attached to this amended notice (**Attachment A**) and may be obtained online by visiting the State of Nevada Register of Administrative Regulations at:

<https://www.leg.state.nv.us/Register/2024Register/R063-24P.pdf>

**D. Estimated Economic Effect of the Proposed Permanent Regulation on the Businesses which it will Regulate and the Public.**

**1. Adverse and Beneficial Effects:**

The proposed permanent regulation presents no reasonably foreseeable or anticipated adverse economic effects to the businesses or to the general public beyond the effects, if any, presented by Chapter 368A of the NRS. The proposed permanent regulation removes or reduces certain requirements under the LET. Such removal or reduction will reduce burdens on taxpayers and should have a positive impact. The regulation does not impose a direct and significant economic burden upon small businesses or restrict the formation, operation, or expansion of small businesses beyond the burdens, if any, presented by Chapter 368A of the NRS.

**2. Immediate and Long-Term Effects:**

There are no anticipated immediate or long-term economic effects on facilities located on the premises of a gaming licensee that provide live entertainment beyond the effects, if any, presented by Chapter 368A of the NRS.

**E. The Methods Used by the Agency in Determining the Impact on a Small Business.**

The proposed amendments presented in LCB File No. R063-24P only affects group I gaming licensees that offer live entertainment. The staff of the Nevada Gaming Control Board determined which group I gaming licensees qualified as small businesses pursuant to NRS 233B.0608(1). Once that was determined, staff reached out via telephone to each qualifying group I gaming licensee to inquire whether the property offered live entertainment. Based on this inquiry, it was determined that none of the qualifying group I gaming licensees offered live entertainment, thus none would be impacted by the proposed amendments.

Based on the results described above, staff reached the conclusion that the proposed permanent regulations, LCB File No. R063-24P, will not impose a direct and significant economic burden upon any small businesses under the Nevada Gaming Commission's jurisdiction, nor directly restrict the formation, operation, or expansion of said businesses.

**F. Estimated Cost to Agency for Enforcement of the Proposed Permanent Regulation.**

The enforcement of the proposed permanent regulations will not increase the costs already expended by the agency relating to the administration of the LET.

**G. Regulations of Other State or Local Governmental Agencies which the Proposed Permanent Regulation Overlaps or Duplicates and their Necessity.**

The Nevada Gaming Commission is the sole agency charged with the administration of the LET for live entertainment events that occur on the premises of a licensed gaming establishment. While the Nevada Tax Commission also has a set of regulations governing its administration of the LET, those regulations only

pertain to live entertainment events occurring on the premises of establishments that are not licensed to offer gaming in this State. Because the two agencies administer the LET for different taxpayers, the proposed permanent regulations do not overlap or duplicate any regulations administered by the Nevada Tax Commission.

**H. If the Regulation is Required Pursuant to Federal Law, a Citation and Description of the Federal Law.**

The proposed permanent regulation is not required pursuant to federal law.

**I. If the Regulation Includes Provisions that are More Stringent than a Federal Regulation that Regulates the Same Activity, a Summary of Such Provisions.**

The proposed permanent regulation does not include provisions that are more stringent than a federal law.

**J. Establishment of New Fees or Existing Fee Increases.**

The proposed permanent regulations do not establish new fees or increase existing fees.

The proposed regulation changes will be considered by the NGC in accordance with the provisions of NRS 463.145, which provides that on the date and at the time and place designated, any interested person, or their duly authorized representative, or both, shall be afforded the opportunity to present statements, arguments, or contentions in writing, with or without the opportunity to present the same orally. Persons wishing to comment on the proposed action of the NGC may appear at the above-scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the NGC. **Written submissions must be received by the NGC on or before 10:00 a.m. on December 16, 2024.**

A copy of this amended notice and the regulation to be adopted will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of this amended notice and the regulation to be adopted will be available at the following locations for inspection and copying by members of the public during regular business hours:

1. Offices of the Nevada Gaming Control Board:
  - a. 1919 College Parkway, Carson City, Nevada 89706;
  - b. 557 West Silver Street, Suite 207, Elko, Nevada 89801;
  - c. 3650 South Pointe Circle, Suite 203, Laughlin, Nevada 89029;
  - d. 7 State of Nevada Way, Las Vegas, Nevada 89119; and
  - e. 9790 Gateway Drive, Suite 100, Reno, Nevada 89521.
2. Boulder City Council Chamber, 401 California Avenue Boulder City, Nevada 89005
3. State Library and Archives, 100 North Stewart Street, Carson City, NV 89701.

Copies of this amended notice and the regulation to be adopted are also available on the NGC and Nevada Gaming Control Board's website, "Pending Regulation Activity" page at <https://gaming.nv.gov/regs/pending/regulation-activity/>. Any questions should be directed to the NGC's Senior Research Specialist at (702) 486-2137 or via email at [jotorres@gcb.nv.gov](mailto:jotorres@gcb.nv.gov).

This amended notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us>.

Copies of this amended notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Pursuant to NRS 233B.064(2), upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

These items will be heard by the NGC at its December 19, 2024, meeting and may be continued and heard at subsequent meetings of the Nevada Gaming NGC as required to effectuate the above-stated purposes.

We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Executive Secretary's office in writing at the Nevada Gaming Commission, P.O. Box 8003, Carson City, Nevada 89702-8003, or by calling (775) 684-7750 as soon as possible.

This amended notice of hearing has been posted at the following locations:

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|----|------------------------------|-----------------------------------|------------------------|
| 1. | Nevada Gaming Control Board  | 1919 College Parkway              | Carson City, NV 89706  |
| 2. | Nevada Gaming Control Board  | 557 West Silver Street, Suite 207 | Elko, NV 89801         |
| 3. | Nevada Gaming Control Board  | 3650 South Pointe Circle          | Laughlin, NV 89029     |
| 4. | Nevada Gaming Control Board  | 7 State of Nevada Way             | Las Vegas, NV 89119    |
| 5. | Nevada Gaming Control Board  | 9790 Gateway Drive, Suite 100     | Reno, NV 89521         |
| 7. | Boulder City Council Chamber | 401 California Avenue             | Boulder City, NV 89005 |
| 6. | State Library and Archives   | 100 North Stewart Street          | Carson City, NV 89701  |