

# Q&A WITH BECKY HARRIS, CHAIRWOMAN OF THE NEVADA GAMING CONTROL BOARD

## **PARTICIPANTS: SUE SCHNEIDER AND BECKY HARRIS**

*Sue Schneider (Interviewer, SS) is the editor-in chief of Gaming Law Review.*

*Becky Harris (BH) is the chairwoman of the Nevada Gaming Control Board.*

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**SS:** We are talking with Becky Harris, who is the chairwoman of the Nevada Gaming Control Board and is a relatively new appointee to that body, earlier in 2018. Let's start with you giving the readers some of your background so that they have a little bit of information about you and what kind of experience you bring to that position?

**BH:** I think the most interesting background that I bring to this position is that of being a former legislator. I served in the Nevada State Senate from November 2014 until January of 2018. During my first legislative session in 2015, I was vice chair of the Judiciary Committee. The Judiciary Committee has jurisdiction for all of the gaming bills.

As a freshman legislator tasked with being the vice chair of the committee, I felt it was important that I understand in greater depth than I had at that time the gaming bills that were coming before the committee. I wanted to be able to ask pertinent, relevant questions.

And while I was able to do some of that, I knew that there was a depth of knowledge that I just did not possess with regard to Nevada's largest industry,

so I wanted to know more. I wanted to be a better legislator.

Towards the end of the 2015 legislative session, an announcement from UNLV [University of Nevada, Las Vegas] Law School came across my desk. UNLV announced their brand-new inaugural LLM program in gaming law, the first of its kind in the country. I believe UNLV still has the only LLM program in gaming in the world. It was one of those things where you just see it, and you know you have to be a part of it.

So, at 48 years old, I applied to go back to law school and got accepted into the LLM program. During my interim—which is the time between legislative sessions—I spent 16 months getting a specialized law degree specifically in gaming law, so I would be better prepared to deal with the gaming law issues that came before the judiciary committee.

**SS:** It sounds like you have been doing a lot of multitasking.

**BH:** That is right. I was still working and still going to interim committees and acting in my capacity as a state senator.

**SS:** That is a handful right there. Can you talk a little bit about how you feel like your legislative experience shaped your views of and might guide the processes for the Gaming Control Board? Obviously, you have been very focused on that from a policy-making standpoint, but now you have a little bit different set of responsibilities. So, how do you feel like that legislative experience was valuable in this regard?

**BH:** I have that in-depth knowledge of the legislative process, and as part of a legislative session, the Gaming Control Board is given a couple of bills from the executive branch to deal with matters of regulatory concern so that we can clean up areas of ambiguity in the statutes or modernize some sections of the statutes with regard to regulatory matters.

As head of a state agency, I have a responsibility to propose some bill draft requests to the Legislature. Certainly, my experience as a legislator who was

given 20 bill draft requests in my capacity there really helps with my position here.

During the 2017 legislative session, which was my second legislative session as a state senator, I was on the Finance Committee, and we heard all of the state budgets as part of that committee, including the Gaming Control Board's. And as the head of the Gaming Control Board, I have a state budget, and I am going to go have a conversation with the Legislature about my state budget. My experience on the Finance Committee has proven to be invaluable.

**SS:** Great. Let's back up for a minute and get an idea of what exactly the Gaming Control Board does, because you have an interesting system there. So you might start with that, and then maybe talk a little bit about what your main priorities are and what sort of challenges you might expect.

**BH:** We are a two-tiered regulatory body, with a Board and a Commission. It is the mission of the Nevada Gaming Commission and the Nevada Gaming Control Board to govern Nevada's gaming industry through strict regulation of all persons, locations, practices, associations, and related activities.

The Board is charged with protecting the integrity and stability of the industry through in-depth investigative procedures, exacting licensing practices, strict enforcement of laws and regulations that hold gaming licensees to high standards. Through these practices, the Board ensures the proper collection of taxes and fees, which are an essential source of revenue for the state of Nevada. We actually collect about 21% of the state budget right now.

**SS:** Since you have been named as chairwoman, what do you see as priorities, and what sort of challenges do you anticipate seeing during your tenure?

**BH:** We have had some historic things happen since I have been the chairwoman. Certainly, being the first chairwoman of the Gaming Control Board brings its own set of circumstances and challenges and unique opportunities with it. That has really been an interesting process as I work through simple things, like changing the word "chairman" to the word "chair." Throughout all of the regulations, it is the "Chairman of the Board," on all of our internal documents, and

on all gaming licenses, so there is a real practical component to ensuring that the board's language is gender-neutral.

I am told that those changes in the regulations are going to be adopted by the Commission soon, so the Board will have a gender-neutral approach to how it deals with things internally.

The Supreme Court repealed PASPA [the Professional and Amateur Sports Protection Act]. On May 14th, a historic landmark Supreme Court case allowed for sports betting in jurisdictions other than just Nevada and the limited sports betting that was occurring in Montana and Delaware. Oregon had opted, for all intents and purposes, not to continue with the gaming that they were granted.

Currently there are full sports-betting opportunities available in Delaware, New Jersey, Mississippi, and West Virginia. Watching how that Supreme Court decision has impacted other jurisdictions and being a good community partner, willing to be available to other jurisdictions if they have questions around sports betting, I feel is a priority.

While every jurisdiction is going to adopt a model that is unique to them and serves their purposes, Nevada is the most mature gaming and sports-betting jurisdiction in the United States. We certainly have a lot to offer with regard to our experience regulating, enforcing, and dealing with all of the issues that surround gaming, and want to be a resource.

**SS:** That is great. And that actually brings up an issue that I heard at one point, an idea from someone about Nevada providing some centralized regulation of sportsbooks and being able to do that in tandem, maybe, with some other states. Have you heard of that idea, and do you think an idea like that would have any legs, or do you think that states are each going to want to just do their own thing and develop their own regulatory structure for that?

**BH:** That is a murky area. The Wire Act prevents interstate wagering, and while page 28 of the PASPA decision would, some argue, kind of give a new, nuanced interpretation of the Wire Act, the Wire Act is the Wire Act, and it prevents interstate sports wagering.

**SS:** How do you think that factors in, since you brought up the Wire Act? I have heard other people say that that factors in on payments and other issues. I mean, is the Wire Act going to be a problem, you think, for the expansion of sports betting throughout the country?

**BH:** No, because to the extent that sports betting is intrastate—Nevada has theirs, New Jersey has theirs, Mississippi has theirs—there is no problem with the Wire Act. It is when you start transacting across state lines that the Wire Act becomes an impediment.

**SS:** Have you heard any indications that people want to try to make any sort of changes with the Wire Act, and is that even feasible?

**BH:** Certainly, it is feasible. The Supreme Court repealed PASPA.

**SS:** Right, exactly.

**BH:** You know, I do not know. I cannot speak to what the appetite is at the federal level in terms of a congressional change to the Wire Act. I am not aware of any states that want to sue under the Wire Act to see if the Supreme Court is willing to repeal it in any way. So I think that it is up to the federal government and Congress to determine what it is they want to do with regard to the Wire Act, if anything.

**SS:** Well, that triggers another question, then. From your perspective, is there a federal role in this? Clearly, the leagues and some other entities out there are trying to do some sort of federal overlay, even if it is just general guidance to the states on what sort of regulations they need to include.

But there are others, obviously. I think National Council of Legislators from Gaming States recently came out and said, “Look, this is all state purview, so there really should not be any federal role.” So how do you see that?

**BH:** Nevada views gaming as a states’ rights issue. It has been in our purview since the legislature formally legalized it in 1931, and we would like to see it continue to be regulated at the state level.

**SS:** Okay. So you do not really see a role that the federal government needs to or should be playing in terms of having some overlay for consistency or whatever other reason?

**BH:** Correct.

**SS:** Okay, good. When you look at sports betting opening in other states, do you think your operators see this as competition? I know some are partnering up. I was just reading a recap of the Nevada operators who are partnering with some of the other state operators. Do you see this being competition to Nevada? And if so, how would the state respond, and what would the sportsbooks there need to do to compete if there is more available on a local level?

**BH:** I think Nevada has always been the leader, and will continue to be the leader with regard to gaming and gaming-related issues. We have seen an intersection between gaming and entertainment. Nevada has led the way, and I believe that Nevada will continue to lead the way with regard to how gaming transforms over the next 10 years.

**SS:** And that brings up a question in terms of another thing that I was curious about. Do you see any additional expansion of certain gaming products in Nevada? What is on the horizon? Because clearly, from a consumer standpoint, operators are trying to appeal to a younger demographic and do what they can to keep the products fresh.

So do you see other things coming down the line that are pertinent kinds of reviews of different gaming products and things like that that might be waiting in the wings there for you?

**BH:** I think that there is a potential for expansion with regard to products offered through sports betting. We have seen a systematic growth in product offerings the last several years. I think that the expansion of state sports betting will only lead to more innovation and different types of sports betting-related products.

I also think that esports is an area that is going to have different product offerings over the next several years. I think that there is some opportunity for table games to innovate and expand beyond their present offerings.

**SS:** And those are some of the things the Board has dealt with over the last couple years. I believe they have done some things related to esports. I know they have reviewed some skill games products. As you said, those are the sort of innovations that are

on the horizon. So it is just a matter of trying to figure out how best to be ready for those, I think.

**BH:** Yes, it is consumer interest that drives the innovation. You can have a really interesting, innovative product, but if you cannot get a consumer to be interested in it, it becomes a challenge. We are seeing a variety of different games of chance with an element of skill, what are commonly called hybrid games. It will be interesting to see how games transform as hybrids become more interesting and more sought after by consumers.

**SS:** It is kind of a testing area. I do not know if it was in Nevada or another jurisdiction where they devoted space in some casinos to skill games, and there was a really good take-up then. The real estate inside the casino is very valuable, so they are going to test some things and see what works and what does not work, I presume.

In terms of all these new products and innovations, it is really hard, I think, for regulators to keep up with and keep ahead of that, because it is a constant learning process. How much of a challenge is that for the regulators, both in Nevada and your colleagues in other jurisdictions?

**BH:** Well, it is really a two-pronged question. There is a regulatory structure and whether or not a new type of product fits within an established regulatory framework. Then there is the technology component. We have a technology division that is very savvy and able to keep up with the new product offerings. The technology department makes sure that when Nevada tests, it tests for integrity, ensuring that there can be public confidence in the type of product that is put in casinos in the state of Nevada.

So far, Nevada's regulatory structure has been flexible enough to be able to handle the different types of products that have been offered for play. Our very established and tried-and-true regulatory structure has the ability to maintain the flexibility necessary as the gaming industry goes through some transformations; to be able to work hand in hand with transformations and effectively regulate.

**SS:** I guess actually it goes back a step to whatever legislation is in place, and having that broad enough to allow for giving the regulators themselves some

flexibility with that process. So it sounds like that is something Nevada has been very flexible with in the past.

**BH:** I would agree. The Nevada Legislature declared as part of its public policy that gaming is vital to the economy of the state, and legislators, regardless of which legislative session they serve in, I think act in smart and responsible ways with regard to gaming.

**SS:** Let me get a little bit more focused on you and ask you if you have a regulatory role model. Is there anybody that you have watched over the years in the regulatory space after whom you would like to model your work at the Gaming Control Board?

**BH:** Certainly former board chairs here at the Gaming Control Board serve as role models and inspirations for how they dealt with difficult issues. And so I borrow from strengths that I see in my predecessors.

**SS:** Well, they set the gold standard, that is for sure.

**BH:** Absolutely.

**SS:** You have broken a barrier there by being, as you mentioned, the first woman appointed to chair the GCB. How have you viewed that whole experience so far?

**BH:** I have rolled up my sleeves and gone to work. Governor Sandoval wanted to break that barrier, and I am grateful that Governor Sandoval considered me qualified to hold this position. It has been a fabulous experience. I found that my staff has been encouraging and welcoming. People have been very, very positive and enthusiastic about having a female chair and it has been a great experience.

**SS:** And there are actual women's issues that have come up that I have been seeing more and more. I think the climate has changed in the last year or so when it comes to that, and we have seen that with operators like the whole situation with Wynn. I was just reading where some of the female staff in the casinos are now going to have panic buttons in case they are harassed or whatever, and just harassment training, all that.

How do you see that things may have changed from, say, two years ago? Are you seeing any difference as it relates to women's issues in the gaming industry?

**BH:** Yes. I think that there is a more conscious effort to make sure that women are protected, and to make sure that the established policies and procedures that are in place are effective.

One of the things that I have been working on is creating a set of minimum standards for gaming licensees with regard to diversity and sexual harassment prevention. The Board, stakeholders, and the gaming industry are having a discussion around sexual harassment prevention regulations and what role they play. We are working toward establishing a floor of requirements that licensees must comply with in terms of processes, policies, and workplace protections.

Many Nevada licensees already have sexual harassment plans, policies, and programs in place. The discussion around the proposed regulations is an attempt to create uniformity in discrimination and sexual harassment policies throughout the gaming industry in Nevada.

The Board just released an updated draft of those proposed regulation changes. There will be future workshops scheduled before the Board votes whether or not to make a recommendation for adoption to the Commission.

**SS:** I have been pleased to see more and more young women in the industry, particularly in management positions on the I-gaming side and in Europe. I was just reading something today that there are more and more young women as CEOs of some of these companies. I think that more traditional gaming is probably lagging behind a little bit, but it is better.

If you were to offer advice to young women that are in this industry, probably more on the private-sector side, but also on the government side, what sort of advice would you give them?

**BH:** Don't allow your present circumstances or present visions to limit your aspirations. Don't accept the status quo. You never know what kind of opportunities are going to open up as you pursue your career and you work hard. Certainly, as a state senator, I had a path and a trajectory that I was happily following. Then this new opportunity to join the Gaming Control Board opened up for me in a very unexpected way. Now I find myself on a completely different path and it is phenomenal.

So I think working hard, working smart, being ethical, and doing your job well helps open up opportunities. Some self-preparation to be able to seize new opportunities as they come along is also important.

**SS:** That is pretty sound advice. Is there anything that you would like to bring up in terms of looking ahead at your new role?

**BH:** There are a couple of things that have helped guide me in my career that I could share. One of them is something that Dr. Sally Ride said. She was the first American woman to travel in space. She said, "Young girls need to see role models in whatever careers they may choose. You cannot be what you cannot see."

Prior to my appointment by Governor Sandoval, I do not know that there were very many women who ever thought that they had an opportunity to chair this regulatory body. That pathway has now been established. Look beyond your present circumstances and imagine what can be possible. And even if you cannot see it, believing that it is possible can help make it a reality.

**SS:** That is great. We would like to really thank you for speaking with *Gaming Law Review* and look forward to watching your success in this role.