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New Regulations Will Allow Nevada Casinos to Offer Skill-Based Games

A new Nevada law and regulations could soon bring skill-based games like Call of Duty, Wii Sports Resort, Gran Turismo, Grand Theft Auto, HALO, and NBA 2K15 with play-for-cash elements to casino floors in Nevada. The new games coming to Nevada will eventually be seen on casino floors throughout the nation.

The new law, Senate Bill 9, was signed by Gov. Sandoval on May 21, 2015, with substantial support from Nevada's casino industry and particularly the Association of Gaming Equipment Manufacturers ("AGEM"). Senate Bill 9 directs the Nevada Gaming Commission to create the gaming regulations to support the introduction of skill-based gaming in Nevada. The Nevada Gaming Commission and Nevada Gaming Control Board, anticipating passage of Senate Bill 9, have been working diligently with AGEM to draft and implement those regulations within the next several months. Some of AGEM's members already have games they are ready to introduce as soon as the regulatory process is in place to do so.

Supporters of the new Nevada legislation connect reduced gaming revenue to millennials who have less interest than older generations in chance-based games such as slot machines. The gaming equipment trade association calls it "the X-box phenomenon." The share of Vegas visitors who gambled during their stay fell from 83 percent to 71 percent between 2009 and 2013, according to the annual visitor profile by the Las Vegas Convention and Visitors Authority. Yet simultaneously, the percentage of younger visitors to Las Vegas has increased. Skill-based games are being designed to bring millennials back to casino floors.

The new regulations will provide requirements for flexible gaming device paybacks or outcomes, multi-player and system-based games, account wagers and electronic commerce, and disclosure of house rules and potential game outcomes based on the elements of skill and chance in the game. The new regulations will support the integration of social networking technologies into game devices and lessen currently existing prohibitions on game themes. Finally, the regulations likely will expedite the approval process significantly for new games and game modifications.

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