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INDEPENDENT REGULATORY
REVIEW COMMISSION

2012 OCT 17 AM 11: 55

Regulatory Analysis Form

(Completed by Promulgating Agency)

(All Comments submitted on this regulation will appear on IRRC's website)

(1) Agency
Pennsylvania Gaming Control Board

(2) Agency Number: 125
Identification Number: 125-162

IRRC Number: 2975

(3) PA Code Cite:

58 Pa.Code 461a, 463a, 464a, 465a, 607a, 627a, 629a, 631a and 633a

(4) Short Title:

Slot machine and table game device testing and control; possession of slot machines and fully automated electronic gaming tables; slot machine tournaments; accounting and internal controls; possession of table game and table game devices; rules of play.

(5) Agency Contacts (List Telephone Number and Email Address):

Primary Contact:

Susan A. Yocum
Assistant Chief Counsel
Pennsylvania Gaming Control Board
P.O. Box 69060
Harrisburg, PA 17101-8323
Phone: (717) 346-8300/ Fax: (717) 703-2988
Email: syocum@pa.gov

Secondary Contact: N/A

(6) Type of Rulemaking (check applicable box):

- Proposed Regulation
 Final Regulation
 Final Omitted Regulation

- Emergency Certification Regulation;
 Certification by the Governor
 Certification by the Attorney General

(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)

This rulemaking will modify the requirements for the termination, transfer or modification of progressive jackpots; will require operators to provide monthly table game device master lists to the Bureau of Gaming Laboratory Operations; codifies an agency policy on slot machine tournaments; and adds an additional side wager to the Baccarat games.

(8) State the statutory authority for the regulation. Include specific statutory citation.

The Pennsylvania Gaming Control Board (Board), under the general authority in 4 Pa.C.S. § 1202(b)(30)(relating to general and specific powers) and the specific authority in 4 Pa.C.S. §§ 1207(3), (6), (9), (21) and §§ 13A02(1), (2) and (4) proposes to amend chapters 461a, 463a, 465a, 627a, 629a, 631a and 633a and add chapters 464a and 607a to read as set forth in Annex A.

(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

There are no other applicable federal or state statutes, regulations or court decisions that mandate adoption of these changes contained in this rulemaking.

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

This regulation is needed to clarify existing chapters of the regulations, codify an existing agency policy relating to slot machine tournaments, to address the master list reporting requirements for table games that are already applicable to slot machines, to address issues that have recently arisen relating to the termination of progressive jackpots and winning wagers acceptance as tips.

(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

There are no corresponding federal standards for any of these provisions in this rulemaking.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

This rulemaking will have no impact on Pennsylvania's ability to compete with other states.

(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

This regulation will not affect any other regulations of the PGCB or any other state agency.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. ("Small business" is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

No formal meetings were held on these proposed revisions. However, many of the changes are based on feedback from the industry, patrons of the licensed facilities as well as the Board's experience to date.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

All 11 slot machine licensees will be affected by this regulation, none of which are small businesses. prior to shipping fully automated electronic gaming tables into the Commonwealth, the 35 manufacturers and suppliers licensed by the Board will be required to notify the agency. Approximately 4,000 table game dealers will have to comply with this regulation to the extent that they are given tips from patrons in the form of winning wagers.

(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.

Eleven slot machine licensees, 35 manufacturers and suppliers and approximately 4,000 table game dealers will be required to comply with this regulation.

(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

As this regulation primarily addresses reporting requirements for the possession and transport of table games, requirements for slot machine tournaments and the termination or transfer of progressive jackpots, the Board does not anticipate this regulation will have an adverse financial, social or economic impact.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

It is not anticipated that this rulemaking will have a fiscal impact or adverse effect on the regulated community with the exception of the time it would take to prepare: notices relating to the movement of table games into the Commonwealth, similar to the current requirement for slot machines; a master list, similar to the list required for slots, for all table games; and a notice prior to conducting a slot machine tournament.

(19) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

Slot machine licensees will be required to provide notice of slot machine tournaments and a monthly table game master list similar to the list already provided for slot machines. Additionally, persons transporting table games and table game devices (manufacturers and suppliers) into the Commonwealth will be required to notify the Gaming Lab and the Bureau of Casino Compliance of the shipment, which they already do with respect to slot machines. It is anticipated that the fiscal impact on the private sector, if any, would be negligible.

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

This rulemaking will have no direct fiscal impact on local governments in this Commonwealth.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

This rulemaking is not expected to generate any significant savings for or impose any significant new costs on the Board or other state agencies.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

Operators, manufacturers and suppliers create their own notification forms for shipping slot machines and fully automated tables into the Commonwealth and typically submit the forms via email. Operators

create their own notification forms for slot machine tournaments.

(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community	N/A	N/A	N/A	N/A	N/A	N/A
Local Government	N/A	N/A	N/A	N/A	N/A	N/A
State Government	N/A	N/A	N/A	N/A	N/A	N/A
Total Savings	N/A	N/A	N/A	N/A	N/A	N/A
COSTS:						
Regulated Community	N/A	N/A	N/A	N/A	N/A	N/A
Local Government	N/A	N/A	N/A	N/A	N/A	N/A
State Government	N/A	N/A	N/A	N/A	N/A	N/A
Total Costs	N/A	N/A	N/A	N/A	N/A	N/A
REVENUE LOSSES:						
Regulated Community	N/A	N/A	N/A	N/A	N/A	N/A
Local Government	N/A	N/A	N/A	N/A	N/A	N/A
State Government	N/A	N/A	N/A	N/A	N/A	N/A
Total Revenue Losses	N/A	N/A	N/A	N/A	N/A	N/A

(23a) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY
PGCB Overall Budget	\$33,744,500	\$35,800,000	\$35,501,000	\$36,098,000

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.
 - There are 35 manufacturers and suppliers, some of which may be classified as a small business depending on their annual receipts.
- (b) The projected reporting, recordkeeping and other administrative costs required for compliance

with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.

- The manufacturers and suppliers create their own notification forms, which are typically sent electronically. Professional skills should not be necessary to complete a notification. Because this regulation requires only a notification, anticipated costs for compliance should be negligible.

(c) A statement of probable effect on impacted small businesses.

- This should not negatively impact small business manufacturers or suppliers.

(d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

- This requirement is necessary for all manufacturers and suppliers that are shipping slot machines into the Commonwealth and is consistent with the federal law regarding the shipment of gambling devices found in 4 Pa.C.S. § 1511. This is a basic notification, the cost of which is negligible.

(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.

There are no special provisions included in this rulemaking for any particular group.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

No alternative regulatory approaches were considered as the additional requirements for reporting are consistent with previous provisions applicable to slot machines and are necessary since the legalization of table gaming in the Commonwealth.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

Because this will require manufacturers and suppliers to simply notify the agency, and the costs associated with notification would be negligible, no other regulatory methods were considered.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

There is no data, as defined under section (3) of the Regulatory Review Act (71 P.S. § 745.3), upon which this rulemaking is based.

(29) Include a schedule for review of the regulation including:

- | | |
|---|---|
| A. The date by which the agency must receive public comments: | 30 days after publication |
| B. The date or dates on which public meetings or hearings will be held: | N/A |
| C. The expected date of promulgation of the proposed regulation as a final-form regulation: | 1 st /2 nd quarter 2013 |
| D. The expected effective date of the final-form regulation: | Upon publication |
| E. The date by which compliance with the final-form regulation will be required: | Upon publication |
| F. The date by which required permits, licenses or other approvals must be obtained: | Ongoing |

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.

No formal review schedule has been established. Instead, the Board is constantly reviewing its regulations and proposing amendments as the need arises.

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Copy below is hereby approved as to form and legality.
Attorney General

By: Amy M. Elliott
(Deputy Attorney General)

SEP 10 2012

DATE OF APPROVAL

Check if applicable
Copy not approved. Objections attached.

Copy below is hereby certified to be true and correct
copy of a document issued, prescribed or promulgated
by:

Pennsylvania Gaming
Control Board

FISCAL NOTE NO.: 125-162

DATE OF ADOPTION: 7/11/12

By: William H. Ryan, Jr.
William H. Ryan, Jr., CHAIRMAN

Copy below is hereby approved as to form and legality
Executive or Independent Agencies

By: R. Douglas Sierman
R. Douglas Sierman, Chief Counsel

7/11/12

DATE OF APPROVAL

(Deputy General Counsel)
(Chief Counsel - Independent Agency)
(Strike inapplicable title)

Check if applicable. No Attorney General Approval or
objection within 30 days after submission.

PROPOSED RULEMAKING
COMMONWEALTH OF PENNSYLVANIA

58 PA. CODE

Proposed Rulemaking
Subparts E and K
Chapters 461a, 463a, 464a, 465a
607a, 627a, 629a, 631a, 633a

PROPOSED RULEMAKING

PENNSYLVANIA GAMING CONTROL BOARD

**58 PA.CODE CHS. 461a, 463a, 464a, 465a,
607a, 627a, 629a, 631a and 633a**

The Pennsylvania Gaming Control Board (Board), under the general authority in 4 Pa.C.S. § 1202(b)(30) (relating to general and specific powers) and the specific authority in 4 Pa.C.S. §§ 1207(3), (6), (9), (21) and §§ 13A02(1), (2) and (4) proposes to amend chapters 461a, 463a, 465a, 627a, 629a, 631a and 633a and add chapters 464a and 607a to read as set forth in Annex A.

Purpose of the Proposed Rulemaking

This rulemaking will modify the requirements for the termination, transfer or modification of progressive jackpots; will require operators to provide monthly table game device master lists to the Bureau of Gaming Laboratory Operations; codifies an agency policy on slot machine tournaments; and adds an additional side wager to the Baccarat games.

Explanation of § 461a.1 (definitions)

The definitions added in this section were moved from the body of the regulations in § 461a.12 (relating to progressive slot machines).

Explanation of § 461a.8 (gaming vouchers)

Although operators are required to file a report with the State Treasurer relating to old gaming vouchers that have escheated to the state, operators are no longer required to submit a copy of that report to the Board.

Explanation of § 461a.12 (progressive slot machines)

The definition of a progressive slot machine and wide area progressive system was moved from subsection (a) into the definitions, found in § 461a.1, which are applicable to all sections in the chapter. Subsections (b) - (f) and (h) were amended for clarity.

Subsection (k) (4) now requires operators to receive written approval from the Bureau of Gaming Laboratory Operations prior to transferring the progressive. Additionally, operators may transfer progressive jackpots to machines with a similar probability of winning.

Subsection (k) (5) now states that if a transfer cannot be made, slot machine licensees may remove the progressive functionality, change the game theme or permanently remove the machine from the gaming floor. This section was amended to ensure that progressive jackpots are not taken off the gaming floor if they can be transferred and not without prior approval from the Gaming Lab. Additionally, a new subsection (l) was added to ensure that progressive jackpots that are removed are not simply returned to the gaming floor with lower reset amounts within a short period of time after removal. The remaining sections were then renumbered.

Explanation of § 461a.26 (testing and software installation on the live gaming floor).

The Board added four types of electronic devices that require Gaming Laboratory testing and approval prior to their placement on the live gaming floor.

Explanation of Chapter 463a (possession of slot machines and fully automated electronic gaming tables).

This section addresses the requirements for the possession and of slot machines in the Commonwealth of Pennsylvania. Fully automated electronic gaming tables, which are more similar to slot machines than other types of table games, were added to the requirements in this chapter. Operators will now be required to include fully automated electronic gaming tables to the slot machine master device list which operators are required to submit to the gaming lab monthly.

Explanation of Chapter 464a (slot machine tournaments)

This is a new chapter that codifies a statement of policy of the agency (§461b.6). The statement of policy allowing operators to conduct tournaments was submitted to the industry on November 23, 2011 and was subsequently updated to allow for the charging of fees. Chapter 464a reflects the current policy, submitted to the industry on March 21, 2012, with no substantive revisions.

Operators must submit a notice of intent to conduct a tournament to the agency as well as the Department 10 days prior to the start of the tournament. In accordance with statutory provisions, operators may charge a fee to enter tournaments provided that the revenue generated is reported to the Department. Operators have discretion to establish rules of entry and prize structures provided that the rules are specified in the notice and provided to all patrons who may participate in the tournament.

Currently eight of the slot machine licensees offer slot tournaments.

Explanation of § 465a.2 (internal control systems and audit protocols)

A minor revision was made to update the name of the form that operators complete when submitting updated internal controls. Additionally, the language regarding the submission of changes to internal controls to the Department was deleted. The Department is sent only initial internal control submissions prior to casino opening.

Explanation of § 465a.19 (acceptance of tips or gratuities from patrons)

Additional language was added in subsection (d) which allows dealers to accept as a tip a winning wager that a patron has identified as a tip prior to play; provided, however, that the tip must be collected and deposited after the round of play or after a roll of the dice in craps that decides the outcome of the wager. A dealer is not allowed to subsequently wager a winning tip.

Explanation of § 465a.33 (access to areas containing central control computer equipment)

A minor revision was made to the key control requirements for access to the central control computer system.

Explanation of Chapter 607a (possession of table games and table game devices).

This is a new chapter addressing the possession of table games and table game devices. This chapter is similar to the provisions found in chapter 463a (relating to possession of slot machines and fully automated electronic gaming tables) addressed

above. Section § 607a.1 requires persons transporting table games or table game devices to notify the Gaming Lab and Casino Compliance that equipment is being shipped. Section 607a.2 requires operators to provide a monthly table game master list for certain table game equipment enumerated in subsection (a).

Section 607a.3 requires operators to obtain approval prior to storing table games or table game devices in locations other than the licensed facility. These provisions are consistent with the requirements applicable to slot machines.

Explanation of Chapter 627a, 629a and 631a (Baccarat games)

A new side wager, the Panda 8, was added to the rulemakings for all Baccarat type games. The sections on layout, wager and payout odds were then updated accordingly.

Explanation of § 633a.13 (blackjack)

The payout table applicable to the hit and run progressive wager was corrected in subsection (1)(1).

Affected Parties

Slot machine licensees, persons transporting table games and devices (typically licensed manufacturers) and table games dealers will be impacted by this rulemaking.

Fiscal Impact

Commonwealth. It is not anticipated that this rulemaking will have a fiscal impact on the Board or other Commonwealth agencies.

Political Subdivisions. This proposed rulemaking will have no fiscal impact on political subdivisions of the Commonwealth.

Private Sector. Slot machine licensees will be required to provide notice of slot machine tournaments and a monthly table game device master list. Additionally, persons transporting table games and table game devices (manufacturers and suppliers) into the Commonwealth will be required to notify the Gaming Lab and the Bureau of Casino Compliance of the shipment. It is anticipated that the fiscal impact on the private sector, to prepare notices, would be negligible.

General Public. This proposed rulemaking will have no fiscal impact on the general public.

Paperwork Requirements.

This rulemaking will eliminate the need to file with the PGCB copies of reports that are submitted to the State Treasurer relating to gaming vouchers.

This rulemaking will require operators to submit a monthly table game device master lists for tables and specified table game equipment. The monthly list is an online submission.

Operators that would like to conduct slot machine tournaments will be required to submit to the PGCB and the Department a notice specifying the rules of entry and the prize structure. This notice is also submitted online.

Effective Date

The proposed rulemaking will become effective upon final-form publication in the *Pennsylvania Bulletin*.

Public Comments

Interested persons are invited to submit written comments, suggestions or objections regarding the proposed rulemaking, within 30 days after the date of publication in the *Pennsylvania Bulletin* to Susan A. Yocum, Assistant Chief Counsel, Pennsylvania Gaming Control Board, P.O. Box 69060, Harrisburg, PA 17106-9060, Attention; Public Comment on Regulation # 125-162.

Contact Person

The contact person for questions about this proposed rulemaking is Susan Yocum, Assistant Chief Counsel, at (717) 346-8300.

Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on September 17, 2012, the Board submitted a copy of this proposed rulemaking and a copy of the Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and

to the Chairpersons of the House Gaming Oversight Committee and the Senate Community, Economic and Recreational Development Committee. A copy of this material is available to the public upon request and is available on the Board's website at www.pgcb.pa.gov.

Under section 5(g) of the Regulatory Review Act, IRRRC may convey any comments, recommendations or objections to the proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections must specify the regulatory review criteria which have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Board, the General Assembly and the Governor of comments, recommendations or objections raised.

William H. Ryan, Jr.
Chairman

ANNEX A

TITLE 58. RECREATION

PART VII. GAMING CONTROL BOARD

Subpart E. SLOT MACHINES AND ASSOCIATED EQUIPMENT

CHAPTER 461a. SLOT MACHINE AND TABLE GAME DEVICE TESTING AND
CONTROL

§ 461a.1. Definitions.

The following words and terms, when used in this subpart, have the following meanings, unless the context clearly indicates otherwise:

Progressive Controller - A program or computer system, other than an approved program that controls the operation of the slot machine, which controls, adjusts and displays the amount of the progressive jackpot.

Progressive slot machine - A slot machine that offers a jackpot that may increase in value based upon the slot machine wagers placed.

* * * * *

Wide area progressive system - Progressive slot machines located at a licensed facility that are linked with progressive slot machines at another licensed facility.

• * * * *

§ 461a.8. Gaming vouchers.

(d) Prior to issuing a gaming voucher, a slot machine licensee shall establish a system of internal controls for the issuance and redemption of gaming vouchers. The internal controls shall be submitted and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols) and address:

[(11) Procedures for filing with the Board a copy of any report submitted to the State Treasurer as required by Article XIII.I of The Fiscal Code.]

* * * * *

§ 461a.12. Progressive slot machines.

(a) **[A progressive slot machine is a slot machine that offers a jackpot that may increase in value based upon wagers as the slot machine is played.]** A progressive slot machine may stand alone[,] or be linked [or interconnected] with other progressive slot machines. **[Progressive slot machines located at a licensed facility that are linked or interconnected with progressive slot machines at another licensed facility are collectively referred to as a wide area progressive system.]**

(b) **[A] Each slot machine that offers a progressive jackpot [which may increase in value based upon wager and is adjusted and displayed by a device other than the approved program that controls the operation of the slot machine, referred to herein**

as a progressive controller,] must have [the following features]:

(1) [For each progressive jackpot offered by the slot machine, a mechanical, electrical or electronic device, to be known as a] A progressive meter, visible from the front of the slot machine, which may increase in value based upon wagers, that advises the player of the amount which can be won if the player receives the combination on the slot machine [symbols] that [award] awards the progressive jackpot [appear as a result of activation of play of the slot machine].

(2) A slot machine paid progressive payout meter in accordance with § 461a.7(g) (relating to slot machine minimum design standards).

(3) A slot attendant paid progressive payout meter in accordance with § 461a.7(g).

(4) A cumulative progressive payout meter that continuously and automatically records the total value of progressive jackpots paid directly by the slot machine or by a slot attendant.

(5) A key and key switch or other reset mechanism to reset the progressive meter or meters [or other reset mechanism].

(6) A key locking the compartment housing the progressive meter or meters or other means by which to preclude

any unauthorized alterations to the progressive meters. The key or alternative security method must be different than the key or reset mechanism in paragraph (5).

(7) [Dual key control by the security department and finance department, or alternative key controls of the compartment housing the microprocessor or other unit that controls the progressive meter or meters] A dedicated progressive controller, which is not secured in a slot machine, shall be under dual key control with one key controlled by the finance department and the other key controlled by the slot operations department. The [compartment] progressive controller must be in a secure location.

(c) In addition to the requirements in subsection (b), a [A] slot machine that is connected to a common progressive meter for the purpose of offering the same progressive jackpot on two or more slot machines must:

(1) Have the same probability of hitting the combination that will award the progressive jackpot as every other slot machine linked to the common progressive meter.

(2) Require that the same amount in wager be invested to entitle the player to a chance at winning the progressive jackpot and that each increase in wager increment the progressive meter by the same rate of progression as every other slot machine linked to the common progressive meter.

[(3) Have its program or progressive controller that controls the common display for the progressive meter housed in a location and subject to dual key controls approved by the Board.]

(d) Notwithstanding the provisions of subsection (c), two or more linked slot machines offering the same progressive jackpot may be of different denominations or have different wagers, or both, required to win the progressive jackpot, provided that:

(1) The probability of winning the progressive jackpot is directly proportional to the wager required to win that jackpot.

(2) **[A notice] Notice** indicating the proportional probability of hitting the progressive jackpot on the linked progressive system is conspicuously displayed on each linked slot machine.

(e) A slot machine licensee seeking to utilize a linked slot machine shall submit **[to the Board]** for approval **in accordance with § 461a.4 (relating to submission for testing and approval)** the location and manner of installing any progressive meter display mechanism.

(f) A slot machine that offers a progressive jackpot may not be placed on the gaming floor until the slot machine licensee or, as applicable, the slot system operator, has

submitted the following to the [Board and the Board has approved, the following] Bureau of Gaming Laboratory Operations for review and approval in accordance with § 461a.4:

* * * * *

(h) Progressive **jackpot** meters may not be turned back to a lesser amount unless one of the following occurs:

(1) The amount indicated has been actually paid to a winning patron and the **progressive jackpot amount has been recorded in accordance with a system of internal controls approved under § 465a.2 (relating to internal control systems and audit protocols)**.

(2) [The **progressive jackpot amount won by the patron has been recorded in accordance with a system of internal controls approved under § 465a.2 (relating to internal control systems and audit protocols)**.

(3)] With written approval, the [The] progressive jackpot has[, upon Board approval,] been transferred to another progressive slot machine or wide area progressive system in accordance with [this subpart] subsection (k) (4).

[(4)] (3) The change is necessitated by a slot machine or meter malfunction.[, in which case for progressive jackpots governed by subsection (b), an] An explanation for the change shall be entered on the progressive slot summary required under

this subpart and the **[Board] Bureau of Gaming Laboratory Operations** shall be notified of the resetting in writing.

* * * * *

(k) A slot machine licensee or, as applicable, a slot system operator, may limit, transfer or terminate a progressive jackpot offered on a gaming floor only under the following circumstances:

(1) A slot machine licensee may establish a payout limit for a progressive jackpot provided that the payout limit is greater than the then current payout amount on the progressive jackpot meter. The slot machine licensee shall provide notice to the **[Board] Bureau of Gaming Laboratory Operations [of] prior to** the imposition of a payout limit on a progressive meter or a modification thereto **[concurrent with the setting of the payout limit]**.

(2) A slot machine licensee may terminate a progressive jackpot concurrent with the winning of the progressive jackpot provided its slot machine program or progressive controller was configured prior to the winning of the progressive jackpot to establish a fixed reset amount with no progressive increment.

(3) A slot machine licensee may immediately and permanently remove one or more linked slot machines from a gaming floor, provided that:

(i) When the slot machine is part of a wide area progressive system offered at multiple licensed facilities, the slot machine licensee retains at least one linked slot machine offering the same progressive jackpot on its gaming floor.

(ii) When the progressive jackpot is only offered in a single licensed facility, at least two linked slot machines offering the same progressive jackpot remain on the gaming floor.

(4) A slot machine licensee may transfer a progressive jackpot amount on a stand alone slot machine or the common progressive jackpot on an entire link of slot machines with a common progressive meter, including a wide area progressive system, from a gaming floor provided the **slot machine licensee receives written approval from the Bureau of Gaming Laboratory Operations prior to the transfer and the** progressive jackpot is:

(i) Transferred in its entirety.

(ii) Transferred to one of the following:

(A) The progressive meter for a slot machine or wide area progressive system with the same or **[greater]** **similar** probability of winning the progressive jackpot, the same or lower wager requirement to be eligible to win the progressive jackpot, and the same type of progressive jackpot (cash, annuity, annuity/cash option or a combination/alternate jackpot). **[However, if no other slot machine or wide area**

progressive system meets all of these qualifications, the Board may authorize a transfer of the jackpot to the progressive meter of the most similar slot machine or wide area progressive system available.]

(B) The progressive meters of two separate slot machines or wide area progressive systems, provided that each slot machine or wide area progressive system to which the jackpot is transferred individually satisfies the requirements of clause (A).

(iii) Notice of intent to transfer the progressive jackpot is conspicuously displayed on the front of each slot machine for at least 30 days.

[(iv) Notice of intent to transfer the progressive jackpot is provided in writing to the Board at least 30 days prior to the transfer of the progressive jackpot.]

(5) If a transfer cannot be made in accordance with subsection (k) (4), a [A] slot machine licensee may [immediately and permanently] remove progressive functionality, change the game theme or permanently remove a stand alone [progressive jackpot on a stand alone] progressive slot machine, [the common progressive jackpot on] an entire link of slot machines with a common progressive [meter] jackpot or an entire wide area progressive system from a gaming floor [provided notice of intent to remove the progressive jackpot is], provided:

(i) Notice of intent to remove the progressive slot machines or wide area progressive systems is conspicuously [Conspicuously] displayed on the front of each slot machine for at least 30 days.

(ii) The slot machine licensee receives written approval from the Bureau of Gaming Laboratory Operations prior to the removal of the progressive slot machines or wide area progressive systems [Provided in writing to the Board at least 30 days prior to the removal of the progressive jackpot].

(1) Progressive slot machines and wide area progressive systems removed from the gaming floor in accordance with subsection (k) (5) may not be returned to the gaming floor for a period of 90 days.

[(1)] (m) The amount indicated on the progressive meter or meters and coin in meter on each slot machine governed by subsection (b) shall be recorded on a progressive slot summary report at least once every 7 calendar days and each report shall be signed by the preparer. If not prepared by the finance department, the progressive slot summary report shall be forwarded to the finance department by the end of the gaming day on which it is prepared. A representative of the finance department shall be responsible for calculating the correct amount that should appear on a progressive meter. If an adjustment to the progressive meters is necessary, the

adjustment shall be made by a member of the slot operations department as follows:

* * * * *

[(m)] (n) Except as otherwise authorized by this section, a slot machine offering a progressive jackpot that is **temporarily** removed from the gaming floor shall be returned to **active play** or replaced on the gaming floor within 5 gaming days. The amount on the progressive meter or meters on the returned or replacement slot machine may not be less than the amount on the progressive meter or meters at the time of removal. If a slot machine offering a progressive jackpot is not returned or replaced, any progressive meter amount at the time of removal shall, within 5 days of the slot machine's removal, be added to a slot machine offering a progressive jackpot approved by the Board which slot machine offers the same or a greater probability of winning the progressive jackpot and requires the same wager or less than the wager required to win the progressive jackpot on the slot machine that was removed. This subsection does not apply to the temporary removal by a slot machine licensee, for a period not to exceed 30 days, of all linked slot machines that are part of a particular wide area progressive system, provided that the progressive jackpot offered by the temporarily removed slot machines remains

available on slot machines that are part of the same wide area progressive system in another licensed facility.

[(n) Where] (o) When a slot machine is located adjacent to a slot machine offering a progressive jackpot, the slot machine licensee shall conspicuously display **[on the slot machine a]** notice advising patrons that the slot machine is not participating in the progressive jackpot of the adjacent slot machine.

§ 461a.13. Wide area progressive systems.

(a) Two or more slot machine licensees may, with the prior written approval of the Board as required under subsection (c), operate **[linked progressive slot machines that are interconnected between two or more participating licensed facilities. The slot machines participating in the link shall be collectively referred to as]** a wide area progressive system.

* * * * *

§ 461a.26. Testing and software installation on the live gaming floor.

(b) A slot machine licensee shall notify the Bureau of Gaming Laboratory Operations and the Bureau of Casino Compliance at least 72 hours prior to the installation of any new software or the installation of any change in previously approved software and shall receive any required approvals prior to the installation of:

* * * * *

(15) Additional automated bill breaker machines, automated gaming voucher and coupon redemption machines, automated jackpot payout machines and automated teller machines on the gaming floor.

(16) Gaming voucher systems.

(17) Server supported slot systems.

(18) Server based slot systems.

* * * * *

CHAPTER 463a. POSSESSION OF SLOT MACHINES AND FULLY AUTOMATED
ELECTRONIC GAMING TABLES

Sec.

463a.1. Possession of slot machines and fully automated electronic gaming tables generally.

463a.2. Transportation of slot machines and fully automated electronic gaming tables into, within and out of this Commonwealth.

463a.3. Slot machine and fully automated electronic gaming table location.

463a.4. Connection to the central control computer system.

463a.5. Slot machine and fully automated electronic gaming table master lists.

463a.6. Notice to central control computer system.

463a.7. Off premises storage of slot machines **and fully automated electronic gaming tables.**

§ 463a.1. **Possession of slot machines and fully automated electronic gaming tables generally.**

(a) Except as otherwise provided in this section and 18 Pa.C.S. § 5513 (relating to gambling devices, gambling, etc.), a person may not possess any slot machine **or fully automated electronic gaming table** within this Commonwealth that may be used for gambling activity.

(b) The following persons and any employee or agent acting on their behalf may possess slot machines **or fully automated electronic gaming tables** in this Commonwealth for the purposes described herein provided that slot machines **or fully automated electronic gaming tables** located outside of a licensed facility may not be used for gambling activity:

(1) **[An applicant for, or holder of a] A slot machine [license] licensee**, for the purpose of maintaining for use, training or operating slot machines in a licensed facility.

(2) The holder of a manufacturer license for the purpose of manufacturing, exhibiting, demonstrating, training or preparing for transfer to a manufacturer designee licensee, **[or] supplier licensee or slot machine licensee.**

(3) The holder of a manufacturer designee license or supplier license for the purpose of distributing, repairing,

servicing, exhibiting or demonstrating slot machines **or fully automated electronic gaming tables** and any training with regard thereto.

(4) An educational institution for the purpose of teaching slot machine design, operation, repair or servicing.

(5) A manufacturer, manufacturer designee or supplier of slot machines not licensed within this Commonwealth for the limited purpose of temporary exhibition or demonstration.

(6) A common carrier, for the purpose of transporting slot machines **or fully automated electronic gaming tables** in accordance with § 463a.2 (relating to the transportation of slot machines **and fully automated electronic gaming tables** into, within and out of this Commonwealth).

(7) An employee or agent of the Board, the Department, the Pennsylvania State Police or any law enforcement agency of this Commonwealth for the purpose of fulfilling official duties or responsibilities.

(8) Other persons upon a finding that the possession of slot machines **or fully automated electronic gaming tables** by those persons in this Commonwealth is not contrary to the goals and objectives of the act.

(c) Persons seeking to possess slot machines **or fully automated electronic gaming tables** under subsection (b) (4), (5) and (8) shall submit a petition to the Board as required under §

493a.4 (relating to petitions generally). The petition to the Board must contain:

(1) The purpose for having the slot machines **or fully automated electronic gaming tables**.

(2) The proposed location of the slot machines **or fully automated electronic gaming tables**.

(3) The time period for which the slot machines **or fully automated electronic gaming tables** will be kept.

(4) How the slot machines will be secured.

(d) The Board will approve or disapprove requests within 60 days. Requests approved by the Board may be subject to specific terms and conditions imposed by the Board.

(e) A person authorized to possess slot machines **or fully automated electronic gaming tables** under subsection (d) that desires to store the slot machines **or fully automated electronic gaming tables** at a location other than the location specified in subsection (c)(2) shall obtain approval from the Board prior to storing the slot machines **or fully automated electronic gaming tables** at the other location.

§ 463a.2. Transportation of slot machines and fully automated electronic gaming tables into, within and out of this Commonwealth.

In furtherance of section 1511 of the act (relating to the declaration of exemption from Federal laws prohibiting slot

machines), prior to the transport or movement of a slot machine **or fully automated electronic gaming table** into this Commonwealth, from one person authorized to possess slot machines **or fully automated electronic gaming tables** under § 463a.1 (relating to possession of slot machines generally) to another person authorized within this Commonwealth or transport or movement out of this Commonwealth, the persons causing the slot machine **or fully automated electronic gaming table** to be transported or moved shall notify the Bureau of Gaming Laboratory Operations[, BIE] and the Bureau of [Gaming Operations] Casino Compliance in writing or in an electronic format approved by the Board. The notice shall be submitted no later than the day the slot machine **or fully automated electronic gaming table** is transported and include the following information:

(1) The name and address of the person shipping or moving the slot machine **or fully automated electronic gaming table**.

(2) The name and address of the person who owns the slot machine **or fully automated electronic gaming table**, if different from the person shipping or moving the machine.

(3) The name and address of a new owner if ownership is being changed in conjunction with the shipment or movement.

(4) The method of shipment or movement and the name and address of the common carrier or carriers, if applicable.

(5) The name and address of the person to whom the slot machine **or fully automated electronic gaming table** is being sent and the destination of the slot machine **or fully automated electronic gaming table**, if different from that address.

(6) The quantity of slot machines **or fully automated electronic gaming tables** being shipped or moved and the manufacturer's serial number of each machine.

(7) The expected date and time of delivery to, or removal from, any authorized location within this Commonwealth.

(8) The port of entry, or exit, if any, of the slot machine **or fully automated electronic gaming table** if the origin or destination of the slot machine **or fully automated electronic gaming table** is outside the continental United States.

(9) The reason for transporting or moving the slot machine **or fully automated electronic gaming table**.

§ 463a.3. Slot machine location.

(a) A gaming floor must consist of one or more areas within a licensed facility approved by the Board **or Executive Director** under § 467a.1 (relating to gaming floor plan) for the placement and operation of slot machines **or fully automated electronic gaming tables**.

(b) A slot machine **or fully automated electronic gaming table** on a gaming floor shall be placed at a location, which location may contain no more than one slot machine **or fully automated electronic gaming table**, identified by number on a gaming floor plan approved by the Board **or Executive Director** under section 1322 of the act (relating to slot machine accounting controls and audits) and § 467a.1 and shall also be identified by this slot machine **or fully automated electronic gaming table** location number and an asset number on the Gaming Floor Slot Machine **and Fully Automated Electronic Gaming Table** Master List.

§ 463a.4. Connection to the central control computer system.

Prior to utilization for gambling activity, a slot machine **or fully automated electronic gaming table** on a gaming floor shall be connected or linked to a central control computer system having the capabilities and in compliance with the terms of section 1323 of the act (relating to central control computer system).

§ 463a.5. Slot machine and fully automated electronic gaming table master lists.

(a) Prior to the commencement of operations at a licensed facility, a slot machine licensee shall file the following with the Bureau of Gaming Laboratory Operations and the Bureau of **[Gaming Operations] Casino Compliance**, in an electronic format

approved by the Bureau of Gaming Laboratory **[Master List]**
Operations.

(1) Gaming Floor Slot Machine **and Fully Automated Electronic Gaming Table** Master List.

(2) Restricted Area/Off Premises Slot Machine **and Fully Automated Electronic Gaming Table** Master List.

(b) A Gaming Floor Slot Machine **and Fully Automated Electronic Gaming Table** List must list all slot machines **and fully automated electronic gaming tables** located on the gaming floor in consecutive order by the slot machine location number under § 463a.3 (relating to slot machine **and fully automated electronic gaming table** location) and contain the following:

(1) The date the list was prepared.

(2) A description of each slot machine **or fully automated electronic gaming table** which includes:

(i) The zone/location number.

(ii) The asset number.

(iii) The manufacturer's serial number.

(iv) The base denomination, or if configured for multiple denominations, a list of the denominations.

(v) The game software/program ID.

(vi) The operating system/base ROM.

(vii) The manufacturer.

(viii) The slot machine **or fully automated electronic gaming table** model.

(ix) The model type (reel or video).

(x) The game theme/description.

(xi) The minimum payout percentage.

(xii) The machine displayed payout percentage.

(xiii) The payable ID.

(xiv) **Whether [Is]** the slot machine **or fully automated electronic gaming table** is in a smoking area[?].

(xv) **If [Is]** the slot machine **or fully automated electronic gaming table** is a progressive; [if it is,] the type of progressive[.

(xvi) **If it is a progressive]**, the progressive controller type[.

(xvii) **If it is a progressive]**, and the progressive software.

[(xviii)] (xvi) The fund transfer/voucher system software.

(c) If a slot machine **or fully automated electronic gaming table** is configured to allow a patron to select from multiple game themes, each game theme, minimum and machine displayed payout percentages and payable ID must be listed in the Gaming Floor Slot Machine **and Fully Automated Electronic Gaming Table** Master List. Instead of listing each game theme, minimum and

machine displayed payout percentage and payable ID for a slot machine **or fully automated electronic gaming table** configured to offer multiple game themes with the slot machine **or fully automated electronic gaming table**, a slot machine licensee may use a unique generic code for the game theme and attach an appendix which lists the game themes, minimum and machine displayed payout percentages and payable IDs that correspond to each unique generic game theme code.

(d) A Restricted Area/Off Premises Slot Machine **and Fully Automated Electronic Gaming Table** Master List must include all slot machines **and fully automated electronic gaming tables** located off the gaming floor but within a restricted area in the licensed facility approved by the Board under § 465a.8(b) (relating to licensed facility), or in storage locations in this Commonwealth off the premises of the licensed facility approved by the Board under § 463a.7 (relating to off premises storage of slot machines) grouped by the **[each]** location where the slot machines **or fully automated electronic gaming tables** are located. A Restricted Area/Off Premises Slot Machine **and Fully Automated Electronic Gaming Table** Master List must include the following information:

(1) The date the list was prepared.

(2) A description of each slot machine **and fully automated electronic gaming table** which includes:

(i) The location of the slot machine **or fully automated electronic gaming table**.

(ii) The asset number.

(iii) The manufacturer's serial number.

(iv) The game software/program ID.

(v) The operating system/base ROM.

(vi) The game theme/description.

(vii) The manufacturer.

(viii) The slot machine **or fully automated electronic gaming table** model.

(ix) The model type (reel or video).

(e) Once a slot machine **or fully automated electronic gaming table** has been placed in an authorized location on the gaming floor or is stored in a restricted area off the gaming floor but within the licensed facility approved by the Board under § 465a.8 or in a location in this Commonwealth off the premises of the licensed facility approved by the Board under § 463a.7, all subsequent movements of that slot machine **or fully automated electronic gaming table** shall be recorded by a slot department member in a slot machine movement log which includes the following:

(1) The asset number and model and manufacturer's serial number of the moved slot machine **or fully automated electronic gaming table**.

(2) The date and time of movement.

(3) The location from which the slot machine **or fully automated electronic gaming table** was moved.

(4) The location to which the slot machine **or fully automated electronic gaming table** was moved.

(5) The date and time of any required notice to the Department in connection with activation or disabling of the slot machine **or fully automated electronic gaming table** in the central control computer system.

(6) The signature of the slot shift manager and the lead technician verifying the movement of the slot machine **or fully automated electronic gaming table** in compliance with this section.

(f) Documentation summarizing slot machine **or fully automated electronic gaming table** movements shall be submitted to the Bureau of Gaming Laboratory Operations, in an electronic format approved by the Bureau of Gaming Laboratory Operations, on a daily basis.

(g) **By 5 p.m. on [On] the first Tuesday of each month [following the initial filing of the Gaming Floor Slot Machine Master List and the Restricted Area/Off Premises Slot Machine Master List,] a slot machine licensee shall file [with the Bureau of Gaming Laboratory Operations, in an electronic format approved by the Bureau of Gaming Laboratory Operations,] an**

updated Gaming Floor Slot Machine and Fully Automated Electronic Gaming Table Master List and an updated Restricted Area/Off Premises Slot Machine and Fully Automated Electronic Gaming Table Master List containing the information, required in subsections (b)-(d). The Gaming Floor Slot Machine and Fully Automated Electronic Gaming Table Master List and the Restricted Area/Off Premises Slot Machine and Fully Automated Electronic Gaming Table Master List shall be filed in an electronic format with the Bureau of Gaming Laboratory Operations.

(h) [Manufacturer, manufacturer designee and supplier licensees and educational institutions, manufacturers, manufacturer designees and suppliers not licensed within this Commonwealth and regulatory and law enforcement agencies] Persons authorized by the Board to possess slot machines or fully automated electronic gaming tables under § 463a.1(c) (relating to possession of slot machines and fully automated electronic gaming tables generally) shall file with the Bureau of Gaming Laboratory Operations, in an electronic format approved by the Bureau of Gaming Laboratory Operations, a complete list of slot machines or fully automated electronic gaming table possessed by the person. The list shall:

(1) Be denoted as a Slot Machine and Fully Automated Electronic Gaming Table Master List.

(2) Be filed within 3 business days of the initial receipt of slot machines **or fully automated electronic gaming tables**.

(3) Contain the following information:

(i) The date on which the list was prepared.

(ii) A description of each slot machine **or fully automated electronic gaming table** including:

(A) The manufacturer.

(B) The manufacturer's serial number.

(C) The slot machine **or fully automated electronic gaming table** model.

(D) The model type (reel or video).

(E) Whether or not the slot machine **or fully automated electronic gaming table** is a progressive, and if it is, the type of progressive.

(i) **By 5 p.m. on [On]** the first Tuesday of each month following the initial filing of a Slot Machine **and Fully Automated Electronic Gaming Table** Master List, those persons enumerated in subsection (h) shall file with the Bureau of Gaming Laboratory Operations, in an electronic format approved by the Bureau of Gaming Laboratory Operations, an updated Slot Machine **and Fully Automated Electronic Gaming Table** Master List containing the information required in subsection (h).

§ 463a.6. Notice to central control computer system.

To insure activation or disabling, as appropriate, in the central control computer system and the retrieval of real time meter information from the slot machine **or fully automated electronic gaming table in conjunction [coincident]** with the movement of a slot machine **or fully automated electronic gaming table**, the slot machine licensee shall provide the Department with written notice of the slot **or fully automated electronic gaming table** movement, prior to any of the following:

(1) Placement of a slot machine **or fully automated electronic gaming table** on the gaming floor.

(2) Movement of a slot machine **or fully automated electronic gaming table** between slot machine **or fully automated electronic gaming table** locations on the gaming floor.

(3) Removal of a slot machine **or fully automated electronic gaming table** from the gaming floor.

§ 463a.7. Off premises storage of slot machines and fully automated electronic gaming tables.

(a) A slot machine licensee may not store slot machines **or fully automated electronic gaming tables** off the premises of a licensed facility without prior approval from the Board's Executive Director.

(b) A slot machine licensee seeking to store slot machines off the premises of a licensed facility shall submit a written

request to the Bureau of Gaming Operations for off premise storage. The written request must include:

(1) The location and a physical description of the proposed storage facility.

(2) A description of the type of surveillance system that has been or will be installed at the proposed storage facility.

(3) The plan to provide 24 hour, 7 day a week security at the proposed storage facility.

(4) The number and manufacturer of the slot machines **or fully automated electronic gaming tables** that will be stored at the proposed storage facility.

(5) The date that the slot machines **or fully automated electronic gaming tables** are expected to arrive at the proposed storage facility.

(6) The date that the slot machines **or fully automated electronic gaming tables** are expected to be moved to a licensed facility.

(c) Before the Board's Executive Director will act on a request for off premise storage of slot machines, the **[Board's Executive] Director of Casino Compliance** will inspect the proposed storage facility.

(d) The Board's Executive Director will approve or disapprove requests within 60 days. Requests approved by the

Board's Executive Director may be subject to specific terms and conditions imposed by the Board's Executive Director.

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(Note: Chapter 464a. is new and printed in regular type to enhance readability.)

CHAPTER 464a. SLOT MACHINE TOURNAMENTS

Sec.

464a.1. Definitions.

464a.2. Conduct of a slot machine tournament.

§ 464a.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Slot machine tournament - any contest whereby individuals engage in competitive slot machine play against other individuals utilizing points.

Points - non-cash equivalent, electronic instrument utilized for slot machine tournament play only, the total of which determines the winners of a slot machine tournament.

§ 464a.2. Conduct of a slot machine tournament.

(a) Slot machine tournaments may not be played with cash, value chips, plaques, gaming vouchers or other cash equivalents.

(b) A slot machine licensee may charge an entry fee to participate in a slot machine tournament. A slot machine

licensee that charges an entry fee shall submit electronically to the Department of Revenue a Slot Tournament Revenue Report no later than 10 a.m. on the day following the conclusion of the tournament.

(c) A slot machine licensee that wishes to conduct a slot machine tournament shall submit notice of intent to conduct a slot machine tournament at least 10 days prior to the start of the tournament. The notice must be submitted electronically to the Bureau of Gaming Operations, using the Internal Controls & Table Games Submission form which is posted on the Board's website at www.pgcb.pa.gov and include the following:

(1) A general description of how the slot machine tournament will be conducted and a copy of the rules governing play.

(2) The dates and times that the tournament will be conducted.

(3) Participation eligibility requirements including:

(i) Who is eligible to participate.

(ii) The minimum and maximum number of participants.

(iii) Any entry fees charged.

(4) The criteria used to determine the winners.

(5) The monetary amount or description of the prizes to be awarded.

(6) The details of when and how the prizes will be awarded.

(7) The asset and gaming floor plan location numbers of the slot machines that will be used to conduct the slot machine tournament.

(8) How the slot machine tournament area will be segregated from patrons who are not participating in the slot machine tournament.

(d) In addition to filing a notice required under subsection (c), a slot machine licensee shall submit a copy of the notice to the casino compliance representatives at the licensed facility, the Bureau of Gaming Laboratory Operations and the Department of Revenue.

(e) Advertising to promote a slot machine tournament shall, at a minimum:

(1) Comply with the advertising requirements in § 421b (relating to advertising guidelines) and § 421a.6 (relating to advertising).

(2) Contain information on who is eligible to participate.

(3) Include a copy of the slot machine tournament rules or state how a copy of the rules may be obtained.

(g) Slot machines used for a slot machine tournament must:

(1) Use tournament software authorized by the Bureau of Gaming Laboratory Operations in accordance with § 461a.4 (relating to submission for testing and approval).

(2) Maintain connectivity with the Central Control Computer System (CCS).

(3) Have the functionality of the bill validator, ticket printer and electronic funds transfer meters disabled during the slot machine tournament so that the slot machine does not accept any cash or credits or make any payouts during tournament play.

(f) A slot machine used in a slot machine tournament may not be made available for play to individuals entered in the tournament until the Bureau of Gaming Laboratory Operations has completed an initial test of the tournament software and has authorized the slot machine for tournament play.

(i) Before and after slot machine tournament, the slot machine licensee shall:

(1) receive approval from the on-site CCR to place the slot machine in and take it out of tournament mode.

(2) Ensure that the CCS has recorded all meter settings on all slot machines used in the tournament.

(j) A slot machine licensee shall maintain records related to the conduct of a slot machine tournament in accordance with § 465a.6(c) (relating to retention, storage and destruction of

books, records and documents). These records shall be made available to Board staff, the Department and the Pennsylvania State Police upon request and shall include:

- (1) A copy of the notice required under subsection (d).
- (2) The names and addresses of all prize winners and the prize each winner was awarded.

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CHAPTER 465a. ACCOUNTING AND INTERNAL CONTROLS

§ 465a.2. Internal control systems and audit protocols.

(f) If a slot machine licensee intends to make a change or amendment to its system of internal controls, it shall submit the change or amendment electronically to the Bureau of Gaming Operations using the **[Amendment and Waiver Request Form]** **Internal Controls & Table Games Submission form** posted on the Board's web site www.pgcb.pa.gov. A request for a change or amendment must include electronic copies of the attestations required under subsection (b)(1) and (2). **[The slot machine licensee shall also submit a written copy of the change or amendment and the required attestations to the Department.]** The slot machine licensee may implement the change or amendment on the 30th calendar day following the filing of a complete submission unless the slot machine licensee receives written notice tolling the change or amendment in accordance with

subsection (g) or written notice from the Board's Executive Director rejecting the change or amendment.

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§ 465a.19. Acceptance of tips or gratuities from patrons.

(d) A patron may identify a wager as a tip wager. Tip wagers placed at the table must be played separately from the player's other wagers. Winning tip wagers must be collected and deposited in the tip box after each round of play or after a roll of the dice which decides the outcome of the wager. A winning tip wager or part thereof may not be wagered again. Upon receipt from a patron of a tip or gratuity, a dealer shall extend his arm in an overt motion, and deposit the tip or gratuity in the locked box reserved for tips and gratuities.

* * * * *

§ 465a.33. Access to areas containing central control computer equipment.

A slot machine licensee shall develop and submit to the Board and the Department, as part of the submission required under § 465a.2 (relating to internal control systems and audit protocols), procedures for safeguarding and limiting access to the central control computer (CCC) equipment housed within the licensed facility. At a minimum, these procedures must include the following requirements:

* * * * *

(3) All keys which access the area containing CCC equipment shall be maintained by the slot machine licensee's security department. The keys may only be signed out by **[the director of security, or the security shift manager] a security supervisor or above** to employees of the Department or the operator of the CCC system who are on the authorized access list. The authorized access list shall be obtained from the Department and made available to the casino compliance representatives and the director of security at the licensed facility. A verbal notification shall be made to the surveillance monitoring room, the operator of the CCC system and the casino compliance representatives at the licensed facility prior to signing out the keys.

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Subpart K. TABLE GAMES

(Note: Chapter 607a. is new and printed in regular type to enhance readability.)

CHAPTER 607a. POSSESSION OF TABLE GAME AND TABLE GAME DEVICES.

607a.1. Transportation of table games and table game devices into, within and out of this Commonwealth.

607a.2. Table game device master list.

607a.3. Off premises storage of table games and table game devices.

§ 607a.1. Transportation of table games and table game devices into, within and out of this Commonwealth.

(a) Prior to the transport or movement of table games and table game devices into this Commonwealth, the persons causing the table games and table game devices to be transported or moved shall notify the Bureau of Gaming Laboratory Operations and the Bureau of Casino Compliance in writing or in an electronic format approved by Board. The notice shall be submitted no later than the day the table games or table game devices are transported and shall include the following:

(1) The name and address of the person shipping or moving the table games or table game devices.

(2) The name and address of the person who owns the table games or table game devices, if different from the person shipping or moving table games or table game devices.

(3) The name and address of a new owner if ownership is being changed in conjunction with the shipment or movement.

(4) The method of shipment or movement and the name and address of the common carrier or carriers, if applicable.

(5) The name and address of the person to whom the table games or table game devices are being sent and the destination of the table games or table game devices, if different from that address.

(6) The quantity of table games or table game devices being shipped or moved and the manufacturer's serial number, if applicable, for each table game or table game device.

(7) The expected date and time of delivery to, or removal from, any authorized location within this Commonwealth.

(8) The port of entry or exit, if any, of the table games or table game devices if the origin or destination of the table game or table game device is outside of the continental United States.

(9) The reason for transporting or moving the table games or table game devices.

§ 607a.2. Table game device master list.

(a) Prior to commencement of table game operations at a licensed facility, a table games certificate holder shall file with the Bureau of Gaming Laboratory Operations and the Bureau of Casino Compliance, in an electronic format approved by the Bureau of Gaming Laboratory Operations a Gaming Floor Table Game Device Master List and a Restricted Area/Off Premises Table Game Device Master List for the following table game devices:

(1) Electronic gaming tables as described in § 605a.4 (relating to electronic gaming tables).

(2) Progressive table game systems as described in § 605a.7 (relating to progressive table game systems).

(3) Automated card shuffling devices as described in § 603a.17 (relating to dealing shoes; automated card shuffling devices).

(4) Electronic dealing shoes as described in § 603a.17.

(5) Electronic wagering systems as described in § 605a.2 (relating to electronic wagering systems)

(6) Any other mechanical, electrical or computerized contrivance, terminal or machine required to be submitted to the Bureau of Gaming Laboratory Operators for testing and approval in accordance with § 461a. (relating to slot machine and table game device testing and control).

(b) The Gaming Floor Table Game Device Master List and the Restricted Area/Off premises table game Device Master List must each contain the following information:

(1) The date the list was prepared.

(2) A description of each table game device listed in

(a) which includes:

(i) The pit number or location on the gaming floor, restricted area of the licensed facility or other approved storage location.

(ii) The asset number and/or table game type that the device is connected to.

(iii) The manufacturer.

(iv) The manufacturer's serial number.

(v) The software/program identification.

(vi) If the device is a progressive:

(A) The name of the progressive controller type.

(B) The name and version of the progressive software.

(c) In conjunction with the Gaming Floor and Restricted Area/Off Premises Slot Machine and Fully Automated Electronic Gaming Table Master List filed in accordance with § 463a.5(g) (relating to slot machine and fully automated electronic gaming table master list), by 5 p.m. on the first Tuesday of each month, a certificate holder shall file with the Bureau of Gaming Laboratory Operations an updated Gaming Floor Table Game Device Master List and Restricted Area/Off Premises Table Game Device Master List containing the information required in subsection (b). The Gaming Floor Table Game Device Master List and the Restricted Area/Off Premises Table Game Device Master List shall be filed in an electronic format with the Bureau of Gaming Laboratory Operations.

§ 607a.3. Off premises storage of table games and table game devices.

(a) A certificate holder may not store table games or table game devices off the premises of a licensed facility without prior approval from the Board's Executive Director.

(b) A slot machine licensee seeking to store table games and table game devices off the premises of a licensed facility shall submit a written request to the Bureau of Gaming Operations for off premise storage. The written request must include:

(1) The location and a physical description of the proposed storage facility.

(2) A description of the type of surveillance system that has been or will be installed at the proposed storage facility.

(3) The plan to provide 24 hour, 7 day a week security at the proposed storage facility.

(4) The number and manufacturer of the table games or table game devices that will be stored at the proposed storage facility.

(5) The date that the table games or table game devices are expected to arrive at the proposed storage facility.

(6) The date that the table games or table game devices are expected to be moved to a licensed facility.

(c) Before the Board's Executive Director will act on a request for off premise storage of table games or table game

devices, the Director of Casino Compliance will inspect the proposed storage facility.

(d) The Board's Executive Director will approve or disapprove requests within 60 days. Approved requests may be subject to specific terms and conditions imposed by the Board's Executive Director.

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627a. MINIBACCARAT

§ 627a.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Panda 8 - A Player's Hand which has a Point Count of 8 with a total of three cards dealt and the Banker's Hand which has a Point Count of less than 8.

§ 627a.2. Minibaccarat table physical characteristics.

(b) The layout for a Minibaccarat table shall be submitted to the Bureau of Gaming Operations and approved in accordance with § 601a.10(a) (relating to approval of table game layouts, signage and equipment) and contain, at a minimum:

(6) If a certificate holder offers EZ Baccarat in which vigorish is not collected:

(iii) Separate areas designated for the placement of the Panda 8 Insurance Wager, authorized under § 627a.7(a)(6), for each player.

* * * * *

§ 627a.7. Wagers.

(a) The following are permissible wagers in the game of Minibaccarat:

(2) A wager on the Player's Hand which shall:

(i) Win if the Player's Hand has a Point Count higher than that of the Banker's Hand and if EZ Baccarat is being played and the Point Counts of the Player's Hand and the Dealer's Hand result in a Panda 8.

* * * * *

(6) A Panda 8 Insurance Wager, if the table is designated for play as an EZ Baccarat table, which shall:

(i) Win if the Point Counts of the Player's Hand and the Dealer's Hand result in a Panda 8.

(ii) Lose if the Point Counts of the Player's Hand and the Dealer's Hand do not result in a Panda 8.

§ 627a.11. Announcement of result of round; payment and collection of wagers.

(a) After each hand has received all the cards to which it is entitled under §§ 627a.8, 627a.9 and 627a.10 (relating to hands of player and banker; procedure for dealing initial two

cards to each hand; procedure for dealing a third card; and rules for determining whether a third card shall be dealt), the dealer shall announce the final Point Count of each hand indicating which hand has won the round. If two hands have equal Point Counts, the dealer shall announce ''tie hand.'' If the table is designated for play as an EZ Baccarat table and the Point Counts of the Banker's Hand and the Player's Hand result in a Dragon 7 or a Panda 8, the dealer shall announce ''Dragon 7'' or ''Panda 8.''

§ 627a.12. Payout odds; vigorish.

(g) A winning Panda 8 Insurance Wager, as described in § 627a.7(a)(6), shall be paid at odds of 25 to 1.

* * * * *

CHAPTER 629a. MIDIBACCARAT

§ 629a.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Panda 8 - A Player's Hand which has a Point Count of 8 with a total of three cards dealt and the Banker's Hand which has a Point Count of less than 8.

§ 629a.2. Midibaccarat table physical characteristics.

(b) The layout for a Midibaccarat table shall be submitted to the Bureau of Gaming Operations and approved in accordance

with § 601a.10(a) (relating to approval of table game layouts, signage and equipment) and contain, at a minimum:

(6) If a certificate holder offers EZ Baccarat in which vigorish is not collected:

(iii) Separate areas designated for the placement of the Panda 8 Insurance Wager, authorized under § 629a.7

(a) (6), for each player.

* * * * *

§ 629a.7. Wagers.

(a) The following are permissible wagers in the game of Midibaccarat:

(2) A wager on the Player's Hand which shall:

(i) Win if the Player's Hand has a Point Count higher than that of the Banker's Hand and if EZ Baccarat is being played and the Point Counts of the Player's Hand and the Dealer's Hand result in a Panda 8.

* * * * *

(6) A Panda 8 Insurance Wager, if the table is designated for play as an EZ Baccarat table, which shall:

(i) Win if the Point Counts of the Player's Hand and the Dealer's Hand result in a Panda 8.

(ii) Lose if the Point Counts of the Player's Hand and the Dealer's Hand do not result in a Panda 8.

§ 629a.11. Announcement of result of round; payment and collection of wagers.

(a) After each hand has received all the cards to which it is entitled under §§ 629a.8, 629a.9 and 629a.10 (relating to hands of player and banker; procedure for dealing initial two cards to each hand; procedure for dealing a third card; and rules for determining whether a third card shall be dealt), the dealer shall announce the final Point Count of each hand indicating which hand has won the round. If two hands have equal Point Counts, the dealer shall announce "'tie hand.'" If the table is designated for play as an EZ Baccarat table and the Point Counts of the Banker's Hand and the Player's Hand result in a Dragon 7 or a Panda 8, the dealer shall announce "'Dragon 7'" or "'Panda 8.'"

§ 629a.12. Payout odds; vigorish.

(g) A winning Panda 8 Insurance Wager, as described in § 629a.7(a) (6), shall be paid at odds of 25 to 1.

* * * * *

CHAPTER 631a. BACCARAT

§ 631a.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Panda 8 - A Player's Hand which has a Point Count of 8 with a total of three cards dealt and the Banker's Hand which has a Point Count of less than 8.

§ 631a.2. Baccarat table physical characteristics.

(b) The layout for a Baccarat table shall be submitted to the Bureau of Gaming Operations and approved in accordance with § 601a.10(a) (relating to approval of table layouts, signage and equipment) and contain, at a minimum:

(6) If a certificate holder offers EZ Baccarat:

(iii) **Separate areas designated for the placement of the Panda 8 Insurance Wager, authorized under § 631a.8(a)(6), for each player.**

* * * * *

§ 631a.8. Wagers.

(a) The following are permissible wagers in the game of Baccarat:

(2) A wager on the Player's Hand which shall:

(i) Win if the Player's Hand has a Point Count higher than that of the Banker's Hand and if EZ Baccarat is being played and the Point Counts of the Player's Hand and the Dealer's Hand result in a Panda 8.

* * * * *

(6) A Panda 8 Insurance Wager, if the table is designated for play as an EZ Baccarat table, which shall:

(i) Win if the Point Counts of the Player's Hand and the Dealer's Hand result in a Panda 8.

(ii) Lose if the Point Counts of the Player's Hand and the Dealer's Hand do not result in a Panda 8.

* * * * *

§ 631a.12. Announcement of result of round; payment and collection of wagers.

(a) After each hand has received all the cards to which it is entitled under §§ 631a.9, 631a.10 and 631a.11 (relating to hands of player and banker; procedure for dealing initial two cards to each hand; procedure for dealing a third card; and rules for determining whether a third card shall be dealt), the dealer calling the game shall announce the final Point Count of each hand indicating which hand has won the round. If the two hands have equal Point Counts, the dealer shall announce "tie hand." If the table is designated for play as an EZ Baccarat table and the Point Counts of the Banker's Hand and the Player's Hand result in a Dragon 7 or a Panda 8, the dealer shall announce "Dragon 7" or "Panda 8."

§ 631a.13. Payout odds; vigorish.

(g) A winning Panda 8 Insurance Wager, as described in § 631a.8(a)(6), shall be paid at odds of 25 to 1.

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CHAPTER 633a. BLACKJACK

§ 633a.13. Payout odds; payout limitation.

(1) If the certificate holder offers the Hit and Run Progressive Wager:

(1) The certificate holder shall pay out winning Hit and Run Progressive Wagers at the odds in the following payable:

Hand	Payout
Dealer has:	
8 or more cards	100% of meter
7 cards	[100] 200 for 1
6 cards	25 for 1
5 cards	[7] 8 for 1
blackjack	4 for 1

* * * * *

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT**

I.D. NUMBER: 125-162

DATE: 10/17/12

SUBJECT: Subpart E. Chapters 461a, 463a, 464a, 465a; Subpart K. Chapters 607a, 627a, 629a, 631a, 633a

AGENCY: Pennsylvania Gaming Control Board (PGCB)

TYPE OF REGULATION

- Proposed Regulation
- Final-Form Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
 - a. With Revisions
 - b. Without Revisions

2012 OCT 17 AM 11: 54

**RECEIVED
IRRC**

FILING OF REGULATION

<u>DATE</u>	<u>SIGNATURE</u>	<u>DESIGNATION</u>
1. <u>10-17-12</u>	<u>Elysha Schott</u> Senator Jane Earl	Senate Community, Economic & Recreational Development
2. <u>10/17/12</u>	<u>Wayne Fontana</u> Senator Wayne Fontana	Senate Community, Economic & Recreational Development
3. <u>10/17/12</u>	<u>Caroly May</u> Representative Tina Pickett	House Gaming Oversight
4. <u>10/17/12</u>	<u>Diane M. Youngblood</u> Representative Rosita Youngblood	House Gaming Oversight
5. <u>10/17/12</u>	<u>Steph F. Hoff</u>	Independent Regulatory Review Commission
6. <u>10/17/12</u>		Attorney General
7. <u>10/17/12</u>	<u>Samuel Hauer</u>	Legislative Reference Bureau