

RULES AND REGULATIONS

Title 31—INSURANCE

INSURANCE DEPARTMENT

[31 PA. CODE CH. 43]

Fraternal Beneficial Societies

The Insurance Department (Department) rescinds Chapter 43 to read as set forth in Annex A. This final-omitted rulemaking is adopted under the authority in sections 206, 506, 1501 and 1502 of The Administrative Code of 1929 (71 P. S. §§ 66, 186, 411 and 412), regarding the general rulemaking authority of the Department, and Article XXIV of The Insurance Company Law of 1921 (act) (40 P. S. §§ 991.2401—991.2466), regarding fraternal benefit societies.

Notice of the proposed rulemaking is omitted in accordance with section 204(3) of the act of July 31, 1968 (P. L. 769, No. 240) (45 P. S. § 1204(3)), known as the Commonwealth Documents Law (CDL). The proposed rulemaking procedures in this instance are unnecessary because the Department is rescinding obsolete regulations that have been superseded by statute.

Purpose

The purpose of this final-omitted rulemaking is to rescind Chapter 43 to eliminate obsolete, unnecessary regulations. The regulations were adopted on July 23, 1948, under the authority of section 5 of the act of June 4, 1937 (P. L. 1643, No. 342) (Act 342) (40 P. S. § 1105). The regulations related to the establishment and valuation of life insurance reserves by beneficial societies that fell within the scope of section 1 of Act 342 (40 P. S. § 1101). This type of society no longer exists as an entity licensed to transact insurance in this Commonwealth.

Act 342, which initially authorized the regulations, was initially repealed by section 905 of the Fraternal Benefit Society Code of 1977 (40 P. S. § 1141-905) and further by section 701 of the Fraternal Benefit Societies Code of 1992 (40 P. S. § 1142-701) insofar as it was inconsistent with those acts. Finally, the Fraternal Benefit Societies Code of 1992 was replaced by Article XXIV of the act. Specifically, the requirements in the regulations have been replaced by section 9 of the act (40 P. S. § 991.2451) and other current laws and regulations regarding the establishment and valuation of reserves for life insurance products.

Affected Parties

Entities currently licensed to transact insurance business in this Commonwealth will not be affected by the rescission of these obsolete, unnecessary regulations.

Fiscal Impact

State government

The rescission of these obsolete, unnecessary regulations will not increase the Department's costs.

General public

The rescission of these obsolete, unnecessary regulations will not have fiscal impact on the general public.

Political subdivisions

The rescission of these obsolete, unnecessary regulations will not impose additional costs on political subdivisions.

Private sector

The rescission of these obsolete, unnecessary regulations will not impose costs on fraternal benefit societies or other insurers writing life insurance in this Commonwealth.

Paperwork

The final-omitted rulemaking will not impose paperwork on the Department.

Effectiveness/Sunset Date

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

Contact Person

Questions regarding the final-omitted rulemaking may be addressed to Peter J. Salvatore, Regulatory Coordinator, Insurance Department, 1326 Strawberry Square, Harrisburg, PA 17120, (717) 787-4429, fax (717) 705-8378, psalvatore@state.pa.us.

Regulatory Review

Under section 5.1(c) of the Regulatory Review Act (71 P. S. § 745.5a(c)), on July 15, 2011, the Department submitted a copy of the final-omitted rulemaking and a copy of a Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Committee on Insurance and the Senate Committee on Banking and Insurance. On the same date, the regulations were submitted to the Office of Attorney General for review and approval under the Commonwealth Attorneys Act (71 P. S. §§ 732-101—732-506).

Under section 5.1(j.2) of the Regulatory Review Act, on August 24, 2011, the final-omitted rulemaking was deemed approved by the House and Senate Committees. Under section 5.1(e) of the Regulatory Review Act, IRRC met on August 25, 2011, and approved the final-omitted rulemaking.

Findings

The Insurance Commissioner finds that:

(1) The proposed rulemaking procedures in sections 201 and 202 of the CDL (45 P. S. §§ 1201 and 1202) are unnecessary because this final-omitted rulemaking rescinds obsolete regulations.

(2) There is good cause to forego public notice of the intention to rescind Chapter 43 because notice of the amendments under the circumstances is unnecessary, impractical and not contrary to the public interest under section 204 of the CDL.

(3) Public comment cannot change the fact that the regulations are obsolete.

Order

The Commissioner, acting under the authority in sections 206, 506, 1501 and 1502 of The Administrative Code of 1929, orders that:

(1) The regulations of the Department, 31 Pa. Code Chapter 43, are amended by deleting §§ 43.1 and 43.2 to read as set forth in Annex A.

(2) The Department shall submit this order and Annex A to the Office of Attorney General and the Office of General Counsel for approval as to form and legality as required by law.

(3) The Department shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(4) This order shall take effect upon its publication in the *Pennsylvania Bulletin*.

MICHAEL F. CONSEDINE,
Insurance Commissioner

(Editor's Note: For the text of the order of the Independent Regulatory Review Commission relating to this document, see 41 Pa.B. 4923 (September 10, 2011).)

Fiscal Note: 11-248. No fiscal impact; (8) recommends adoption.

Annex A
TITLE 31. INSURANCE
PART I. GENERAL PROVISIONS
Subpart D. (Reserved)
CHAPTER 43. (Reserved)

§§ 43.1 and 43.2. (Reserved).

[Pa.B. Doc. No. 11-1594. Filed for public inspection September 16, 2011, 9:00 a.m.]

Title 58—RECREATION

PENNSYLVANIA GAMING CONTROL BOARD
[58 PA. CODE CHS. 523, 527, 549 AND 565]

Table Game Equipment, Minimum Training Standards and Rules of Play; Temporary Regulations

The Pennsylvania Gaming Control Board (Board), under its general authority in 4 Pa.C.S. § 13A03 (relating to temporary table game regulations), enacted by the act of January 7, 2010 (P.L. 1, No. 1) (Act 1), and the specific authority in 4 Pa.C.S. § 13A02(1), (2) and (7) (relating to regulatory authority), amends temporary regulations in Chapters 523, 527, 549 and 565 to read as set forth in Annex A. The Board's temporary regulations will be added to Part VII (relating to Gaming Control Board) as part of Subpart K (relating to table games).

Purpose of the Temporary Rulemaking

This temporary rulemaking amends the sections on table game equipment and minimum training standards and adds additional options in Blackjack and Three Card Poker.

Explanation of Chapters 523, 527, 549 and 565

In Chapter 523 (relating to table game equipment), this temporary rulemaking amends the provisions prohibiting the use of reconstructed sets of Pai Gow tiles when one or more tiles in a set are no longer suitable for use in gaming. Section 523.18 (relating to Pai Gow tiles; receipt, storage, inspections and removal from use) allows certificate holders to create replacement sets of tiles provided that certain requirements are met, such as inspecting the tiles in a reconstructed set to ensure that the backs, sides and edges of each tile have similar shading, texture and finish to the other tiles in the reconstructed set.

In Chapter 527 (relating to minimum training standards), a certificate holder or gaming school may offer the minimum number of hours of training required under § 527.2 (relating to minimum proficiency requirements) over an alternative period of time. A certificate holder or

gaming school that desires to offer training using an alternative schedule shall submit a request to the Board's Executive Director for approval.

In Chapter 549 (relating to Blackjack), a new side bet, the Bad Beat Progressive Wager, has been added to Blackjack. Certificate holders that offer the wager will be required to use an electronic wagering system for placement of the Bad Beat Progressive Wager. The dealing procedures and the payout odds are in new § 549.24 (relating to Bad Beat Progressive Wager; payout odds).

In Chapter 565 (relating to Three Card Poker), four new pay tables for the Pair Plus Wager and the Ante Bonus in § 565.12(d) and (e) (relating to payout odds; Envy Bonus; rate of progression; payout limitation) have been added.

Affected Parties

The amendments in this temporary rulemaking will allow certificate holders additional options on how to conduct table games at their licensed facilities. Additionally, amendments to the minimum training standards will allow greater flexibility to certificate holders, gaming schools and potentially the students involved in table games training regarding when training will be conducted.

Fiscal Impact

Commonwealth. The Board does not expect that this temporary rulemaking will have fiscal impact on the Board or other Commonwealth agency. Internal control procedures submitted by certificate holders will be reviewed by existing Board staff.

Political subdivisions. This temporary rulemaking will not have direct fiscal impact on political subdivisions of this Commonwealth. Eventually, host municipalities and counties will benefit from the local share funding that is mandated by Act 1.

Private sector. The amendments in this temporary rulemaking will give certificate holders some additional flexibility as to how they conduct table games. Additionally, certificate holders that offer Pai Gow will see some cost savings as they may now create reconstructed sets using replacement tiles instead of destroying entire sets of Pai Gow tiles when any one tile is damaged during play.

General public. This temporary rulemaking will not have direct fiscal impact on the general public.

Paperwork Requirements

If a certificate holder selects different options for the play at table games, the certificate holder will be required to submit an updated rules submission reflecting the changes. Additionally, a certificate holder that opts to use reconstructed sets of Pai Gow tiles will be required to update and submit for approval their internal controls.

Effective Date

This temporary rulemaking will become effective upon publication in the *Pennsylvania Bulletin*.

Public Comments

While this temporary rulemaking will be effective upon publication, the Board is seeking comments from the public and affected parties as to how the temporary regulations might be improved. Interested persons are invited to submit written comments, suggestions or objections regarding this temporary 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 Temporary Regulation #125-158.

Contact Person

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

Regulatory Review

Under 4 Pa.C.S. § 13A03, the Board is authorized to adopt temporary regulations which are not subject to sections 201—205 of the act of July 31, 1968 (P. L. 769, No. 240) (45 P. S. §§ 1201—1208), known as the Commonwealth Documents Law (CDL), the Regulatory Review Act (71 P. S. §§ 745.1—745.12) and sections 204(b) and 301(10) of the Commonwealth Attorneys Act (71 P. S. §§ 732-204(b) and 732-301(10)). These temporary regulations expire 2 years after publication in the *Pennsylvania Bulletin*.

Findings

The Board finds that:

(1) Under 4 Pa.C.S. § 13A03, the temporary regulations are exempt from the requirements of the Regulatory Review Act, sections 201—205 of the CDL and sections 204(b) and 301(10) of the Commonwealth Attorneys Act.

(2) The adoption of the temporary regulations is necessary and appropriate for the administration and enforcement of 4 Pa.C.S. Part II (relating to gaming).

Order

The Board, acting under 4 Pa.C.S. Part II, orders that:

(1) The regulations of the Board, 58 Pa. Code Chapters 523, 527, 549 and 565, are amended by adding § 549.24 and by amending §§ 523.18, 527.2, 549.2 and 565.12 to read as set forth in Annex A, with ellipses referring to the existing text of the regulations.

(2) The temporary regulations are effective September 17, 2011.

(3) The temporary regulations will be posted on the Board's web site and published in the *Pennsylvania Bulletin*.

(4) The temporary regulations are subject to amendment as deemed necessary by the Board.

(5) The Chairperson of the Board shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

GREGORY C. FAJT,
Chairperson

(Editor's Note: See 41 Pa.B. 4952 (September 17, 2011) for the adoption of § 549.23.)

Fiscal Note: 125-158. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 58. RECREATION

PART VII. GAMING CONTROL BOARD

Subpart K. TABLE GAMES

CHAPTER 523. TABLE GAME EQUIPMENT

§ 523.18. Pai Gow tiles; receipt, storage, inspections and removal from use.

* * * * *

(n) If after completing the inspection procedures required in subsection (m), it is determined that a complete set of 32 tiles removed from a gaming table is free from tampering, markings or alterations, the set may be returned to the Pai Gow storage area for subsequent gaming use in accordance with procedures approved by the Bureau of Gaming Operations. Individual tiles from different sets may not be used to make a complete set for subsequent gaming use provided, however that a certificate holder may, in accordance with its approved internal controls, create replacement and reconstructed tile sets in accordance with the following requirements:

(1) If after completing the inspection procedures required under subsection (m), it is determined that tiles have scratches or other markings on the back, sides or edges which make the tiles unsuitable for continued use, the tiles shall be removed from the set and destroyed in accordance with subsection (p). The remaining usable tiles from the set shall then be designated as a replacement set. The individual removing tiles from a set shall complete a three-part form. The triplicate copy of the form shall be retained with the replacement set, the duplicate copy shall be delivered to the casino compliance representative and the certificate holder shall retain the original. The three-part form shall:

(i) Include the date and time of removal.

(ii) Identify the specific tile or tiles removed and sent for destruction.

(iii) Contain the signature of the preparer.

(2) The assistant table games shift manager or above shall return the replacement set, accompanied by the triplicate copy of the form, to the tile inventory in accordance with subsection (o). Replacement sets shall be inventoried and stored separately from any stored and new, used or complete reconstructed sets.

(3) Tiles in one or more replacement sets may be used to create a complete reconstructed set of tiles in accordance with the following procedures:

(i) The assistant table games shift manager or above shall conduct an inspection of each reconstructed set in the storage area, in the presence of a security department employee, and ensure that a replacement tile possesses the same color, texture and finish as all other tiles in the reconstructed set. The assistant table games shift manager or above shall sort the tiles by pairs and verify the needed replacement tile or tiles and visually inspect the sides, backs and edges of each tile in the reconstructed set for tampering, markings and alterations and for a comparison as to shading, texture and finish.

(ii) Once a complete set of tiles has been satisfactorily reconstructed from replacement sets, the assistant table games shift manager or above shall attach a label to an envelope or container for the reconstructed set. The label must include the date and time of reconstruction and the signature of the assistant table games shift manager or above and the security department employee who witnessed the inspection. The label must also identify the inspection steps that were followed to determine that the reconstructed set of tiles is suitable for use in gaming.

(iii) The certificate holder shall submit to the Board for approval internal control procedures for returning the reconstructed set into inventory, identifying all reconstructed sets and maintaining an accurate inventory balance of remaining replacement sets.

(o) Certificate holders shall submit to the Board for approval, internal control procedures for:

(1) An inventory system which includes records of at least the following:

- (i) The balance of sets of tiles on hand.
 - (ii) The sets of tiles removed from storage.
 - (iii) The sets of tiles returned to storage or received from a manufacturer or supplier.
 - (iv) The date of each transaction.
 - (v) The signatures of the individuals involved.
- (2) A reconciliation on a daily basis of:
- (i) The sets of tiles distributed.
 - (ii) The sets of tiles destroyed and cancelled.
 - (iii) The sets of tiles returned to the approved storage area.
 - (iv) The sets of tiles in the tile reserve in a pit stand.
- (3) A physical inventory of the sets of tiles at least once every 3 months.

(i) The inventory shall be performed by an individual with no incompatible functions and shall be verified to the balance of the sets of tiles on hand required in paragraph (1)(i).

(ii) Discrepancies shall immediately be reported to the Bureau of Gaming Operations.

(p) Destruction and cancellation of tiles other than those retained for Board inspection, shall be completed within 72 hours of collection. The method of destruction or cancellation shall be approved by the Bureau of Gaming Operations. The destruction and cancellation of tiles must take place in a secure location in the licensed facility covered by the slot machine licensee's surveillance system, the physical characteristics of which shall be approved by the Bureau of Gaming Operations.

CHAPTER 527. MINIMUM TRAINING STANDARDS

§ 527.2. Minimum proficiency requirements.

(a) A curriculum related to the conduct of table games offered by a gaming school or by a certificate holder, must, at a minimum, include:

(1) The following minimum hours of instruction on the conduct of table games in accordance with the regulations in Subpart K (relating to table games):

<i>Table Game</i>	<i>Minimum Hours of Instruction</i>
Blackjack and other banked card games	120 hours over a 6 week period
Craps	160 hours over a 6 week period
Baccarat and Mini-Baccarat	80 hours over a 4 week period
Poker	80 hours over a 4 week period
Roulette	80 hours over a 4 week period
Pai Gow Tiles	160 hours over a 6 week period
Pai Gow Poker	80 hours over a 4 week period

(2) The proper use, control and shuffling of playing cards for authorized games that involve the use of cards.

(3) The proper use and control of dice for authorized games that involve the use of dice.

(4) The proper use and control of tiles for authorized games that involve the use of tiles.

(b) The minimum number of hours of instruction required under subsection (a) may be completed using an alternative schedule as approved by the Board's Executive Director. A certificate holder or gaming school requesting to offer an alternative schedule shall submit a

written request to the Board's Executive Director which contains a detailed description of when the training will be conducted.

CHAPTER 549. BLACKJACK

§ 549.2. Blackjack table; card reader device; physical characteristics; inspections.

* * * * *

(c) The following must be inscribed on the Blackjack layout:

* * * * *

(10) If a certificate holder offers the Bad Beat Progressive Wager, inscriptions that advise patrons of the payout odds for the Bad Beat Progressive Wager. If the payout odds are not inscribed on the layout, a sign identifying the payout odds must be posted at each Blackjack table.

* * * * *

(g) Whenever a double shoe is used at a Blackjack table, the height and marking requirements as in subsection (f) for that table's discard rack shall be determined by the number of decks used in one side of the shoe.

(h) If the certificate holder offers the optional Bad Beat Progressive Wager, the Blackjack table must have an electronic wagering system in accordance with §§ 524.2 and 524.3 (relating to electronic wagering systems; and procedures for buying in to and cashing out of a table game using an electronic wagering system) for the placement of the Bad Beat Progressive Wager and a progressive table game system in accordance with § 524.7 (relating to progressive table game systems). The electronic wagering system must include a mechanism, such as a lock-out button, that prevents the placement of any Bad Beat Progressive Wagers that a player attempts to place after the dealer has announced "no more bets." A player may not buy in for more than \$100 in electronic wagering credits to be used for the Bad Beat Progressive Wager.

§ 549.24. Bad Beat Progressive Wager; payout odds.

(a) A certificate holder may, if specified in its Rules Submission under § 521.2 (relating to table games Rules Submissions), offer players the option of placing an additional Bad Beat Progressive Wager that the player's hand will have a total value of 20 and the dealer will have a Blackjack or a hand with a total value of 21.

(b) Prior to the first card being dealt for each round of play, each player who has placed a Blackjack Wager in accordance with § 549.4 (relating to wagers) may make a Bad Beat Progressive Wager using an electronic wagering system in accordance with § 524.2 (relating to electronic wagering systems).

(c) The dealer shall then announce "no more bets" and deal the cards in accordance with the dealing procedures in § 549.7 (relating to procedure for dealing cards).

(d) Before settling the player's Blackjack Wager, the dealer shall settle the Bad Beat Progressive Wager, which shall win if the player's hand has a total value of 20, even if the dealer has a Blackjack or a total value of 21. If a player has won the Bad Beat Blackjack Wager, the dealer shall:

(1) Verify that the hand is a winning hand.

(2) Have a floorperson or above validate any Bad Beat Progressive payout with odds of 100 to 1 or greater in accordance with the certificate holder's approved internal control procedures.

(3) Credit to the player's game account for the winning Bad Beat Progressive Wager in accordance with the payout odds in the following payout table:

Hand	Payout
Player has 20—dealer has 21 with seven or more cards	100% of meter
Player has 20—dealer has 21 with six cards	1,000 for 1
Player has 20—dealer has 21 with five cards	100 for 1
Player has 20—dealer has 21 with four cards	50 for 1
Player has 20—dealer has 21 with three cards	25 for 1
Player has 20—dealer has Blackjack	10 for 1
Player has any 20	1 for 1

(4) A player who placed a Bad Beat Progressive Wager may also receive a Magic Card Bonus, if included in the certificate holder's Rules Submission required under § 521.1, if one of the player's first two cards matches the card randomly selected by the table game system. The Magic Card Bonus shall pay out at odds of 20 for 1.

(e) The rate of progression for the meter used for the Bad Beat Progressive Wager must be in the certificate holder's Rules Submission filed in accordance with § 521.2. The initial and reset amounts must also be in the certificate holder's Rules Submission and must be at least \$5,000.

(f) If more than one player at the table has won a progressive payout that is 100% of the jackpot amount on the progressive meter, each player shall share the maximum payout amount proportionately to the amount of the player's respective Bad Beat Progressive Wager.

CHAPTER 565. THREE CARD POKER

§ 565.12. Payout odds; Envy Bonus; rate of progression; payout limitation.

(a) If the dealer does not hold a hand with a queen high or better rank, the Ante Wager shall automatically be paid 1 to 1 and the Play Wager shall be returned to the player.

(b) If the dealer holds a hand with a queen high or better rank, a player in competition against the dealer shall be paid 1 to 1 on both the Ante Wager and the Play Wager if the player's hand is ranked higher than the dealer's hand.

(c) If the dealer holds a hand with a queen high or better rank and a player holds a hand with a rank equal to the dealer's hand, the hand will be a tie and the player's Ante Wager and Play Wager shall be returned to the player.

(d) A player placing a Pair Plus Wager shall be paid in accordance with a posted pay table, regardless of whether the player's hand outranks the dealer's hand, which contains the odds preselected by the certificate holder in the certificate holder's Rules Submission under § 521.2 (relating to table games Rules Submissions), which are no less than the following:

Hand	Paytable A	Paytable B	Paytable C
Straight flush	35 to 1	40 to 1	40 to 1
Three-of-a-kind	25 to 1	30 to 1	30 to 1
Straight	5 to 1	5 to 1	6 to 1
Flush	3 to 1	4 to 1	3 to 1
Pair	1 to 1	1 to 1	1 to 1

(e) A player placing an Ante Wager and a Play Wager shall be paid a bonus in accordance with a posted pay table on the Ante Wager, regardless of whether the player's hand outranks the dealer's hand, at the odds preselected by the certificate holder in the certificate holder's Rules Submission under § 521.2, which are no less than the following:

Hand	Paytable A	Paytable B	Paytable C
Straight flush	5 to 1	5 to 1	4 to 1
Three-of-a-kind	4 to 1	3 to 1	3 to 1
Straight	1 to 1	1 to 1	1 to 1
	* * *	* * *	* * *

[Pa.B. Doc. No. 11-1595. Filed for public inspection September 16, 2011, 9:00 a.m.]

**PENNSYLVANIA GAMING CONTROL BOARD
[58 PA. CODE CHS. 525, 549 AND 561]**

Table Game Internal Controls; Rules of Play; Temporary Regulations

The Pennsylvania Gaming Control Board (Board), under its general authority in 4 Pa.C.S. § 13A03 (relating to temporary table game regulations) enacted by the act of January 7, 2010 (P.L. 1, No. 1) (Act 1) and the specific authority in 4 Pa.C.S. § 13A02(1) and (2) (relating to regulatory authority), amends temporary regulations in Chapters 525, 549 and 561 (relating to table game internal controls; Blackjack; and Pai Gow Poker) to read as set forth in Annex A. The Board's temporary regulations will be added to Part VII (relating to Gaming Control Board) as part of Subpart K (relating to table games).

Purpose of the Temporary Rulemaking

This temporary rulemaking amends the section on Match Play Coupons and adds additional options in Blackjack and Pai Gow Poker.

Explanation of Chapters 525, 549 and 561

In Chapter 525, the section on Match Play Coupons has been updated. In § 525.21(e) and (f) (relating to Match Play Coupons; physical characteristics and issuance), the inaccurate term "manufacturer" was replaced with "gaming service provider." A gaming service provider, which provides goods or services, prints Match Play Coupons on behalf of the certificate holder, not a manufacturer as defined in 4 Pa.C.S. § 1103 (relating to definitions).

Subsection (q) was added to § 525.21 to allow a certificate holder to utilize a gaming service provider to not only print but also to mail Match Play Coupons on behalf of the certificate holder, provided that the requirements of the section are met. The certificate holder, however, shall be responsible for ensuring that the gaming service provider does not mail coupons to individuals on the self-exclusion or excluded list.

A new option was added in Chapter 549 to allow certificate holders the option to deal Blackjack from the hand. Section 549.3(e) (relating to cards; number of decks; value of cards) has been updated to reflect that cards dealt from the hand shall be changed every 4 hours instead of every 24 hours. Section 549.7(1) (relating for procedure for dealing cards) was amended to allow players to touch the cards. New § 549.23 (relating to Blackjack variations) was added to detail the procedure for dealing the cards from the hand.

In Chapter 561, the player bank/co-bank option was added. This option allows players at the table to bank the game and pay all winning and collect all losing Pai Gow Poker Wagers instead of the house. This is a traditional feature of Pai Gow Poker and is an option that is currently available in Pai Gow tiles.

Affected Parties

The amendments in this temporary rulemaking will allow certificate holders additional options on how to conduct table games at their licensed facilities.

Fiscal Impact

Commonwealth. The Board does not expect that the amendments in this temporary rulemaking will have fiscal impact on the Board or any other Commonwealth agency. Internal control procedures submitted by certificate holders will be reviewed by existing Board staff.

Political subdivisions. This temporary rulemaking will not have direct fiscal impact on political subdivisions of this Commonwealth. Eventually, host municipalities and counties will benefit from the local share funding that is mandated by Act 1.

Private sector. The amendments in this temporary rulemaking will give certificate holders some additional flexibility as to how they conduct table games.

General public. This temporary rulemaking will not have direct fiscal impact on the general public.

Paperwork Requirements

If a certificate holder selects different options for the play at table games, the certificate holder will be required to submit an updated Rules Submission reflecting the changes.

Effective Date

This temporary rulemaking will become effective upon publication in the *Pennsylvania Bulletin*.

Public Comments

While this temporary rulemaking will be effective upon publication, the Board is seeking comments from the public and affected parties as to how these temporary regulations might be improved. Interested persons are invited to submit written comments, suggestions or objections regarding this temporary rulemaking within 30 days after the date of publication in the *Pennsylvania Bulletin* to Susan A. Yocum, Assistant Chief Counsel, Pennsylvania Gaming Control Board, Attention: Public Comment on Regulation #125-157, P. O. Box 69060, Harrisburg, PA 17106-9060.

Contact Person

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

Regulatory Review

Under 4 Pa.C.S. § 13A03, the Board is authorized to adopt temporary regulations which are not subject to sections 201—205 of the act of July 31, 1968 (P. L. 769, No. 240) (45 P. S. §§ 1201—1208), known as the Commonwealth Documents Law (CDL), the Regulatory Review Act (71 P. S. §§ 745.1—745.12) and sections 204(b) and 301(10) of the Commonwealth Attorneys Act (71 P. S. §§ 732-204(b) and 732-301(10)). These temporary regulations expire 2 years after publication in the *Pennsylvania Bulletin*.

Findings

The Board finds that:

(1) Under 4 Pa.C.S. § 13A03, the temporary regulations are exempt from the requirements of the Regulatory Review Act, sections 201—205 of the CDL and sections 204(b) and 301(10) of the Commonwealth Attorneys Act.

(2) The adoption of the temporary regulations is necessary and appropriate for the administration and enforcement of 4 Pa.C.S. Part II (relating to gaming).

Order

The Board, acting under 4 Pa.C.S. Part II, orders that:

(1) The regulations of the Board, 58 Pa. Code Chapters 525, 549 and 561, are amended by adding §§ 549.23 and 561.15 and by amending §§ 525.21, 549.3, 549.7, 549.11, 561.1, 561.5, 561.12, 561.13 and 561.14 to read as set forth in Annex A, with ellipses referring the existing text of the regulations.

(2) The temporary regulations are effective September 17, 2011.

(3) The temporary regulations will be posted on the Board's web site and published in the *Pennsylvania Bulletin*.

(4) The temporary regulations are subject to amendment as deemed necessary by the Board.

(5) The Chairperson of the Board shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

GREGORY C. FAJT,
Chairperson

(Editor's Note: See 41 Pa.B. 4949 (September 17, 2011) for the adoption of § 549.24.)

Fiscal Note: 125-157. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 58. RECREATION

PART VII. GAMING CONTROL BOARD

Subpart K. TABLE GAMES

CHAPTER 525. TABLE GAME INTERNAL CONTROLS

§ 525.21. Match Play Coupons; physical characteristics and issuance.

* * * * *

(e) Match Play Coupons received from a gaming service provider or produced by the certificate holder in accordance with subsection (p) shall be opened and examined by at least one member of the finance department and one member of the marketing department. Any deviation between the invoice accompanying the coupons and the actual coupons received shall be reported to a supervisor from the finance department and to the Bureau of Casino Compliance.

(f) After checking the Match Play Coupons received from the gaming service provider or produced by the certificate holder, a finance department supervisor shall record the following information in the Match Play Coupon ledger:

* * * * *

(p) A certificate holder may internally manufacture or print Match Play Coupons provided that internal controls governing the production and subsequent reconciliation of the coupons are submitted and approved by the Board.

(q) If included in the certificate holder's internal controls, required under § 525.2 (relating to internal controls), a certificate holder may authorize a gaming service provider to print and mail Match Play Coupons directly to patrons in accordance with the following requirements:

(1) The Match Play Coupons mailed by the gaming service provider shall comply with the requirements in subsections (b) and (c).

(2) The certificate holder shall supply the gaming service provider, through electronic means, a list of the following information for each patron to whom the Match Play Coupon will be mailed:

- (i) The patron's name.
- (ii) The patron's address.
- (iii) The denomination of the Match Play Coupon.
- (iv) The expiration date of the Match Play Coupon.
- (v) A serial number on each Match Play Coupon.

(3) The Match Play Coupon issued must include a magnetic strip or bar code that will enable the certificate holder's computer system to identify the information required under subsection (q)(2).

(4) The information in subsection (q)(2) shall be provided to the finance department which shall maintain the information for purposes of reconciliation as required under subsection (m).

(5) Prior to the redemption of the Match Play Coupon, the dealer shall verify the expiration date and confirm that the coupon has not expired.

(6) All Match Play Coupons issued must be electronically canceled in the certificate holder's computer system immediately upon redemption or during the counting of the table game drop boxes as provided in § 525.19 (relating to procedures for opening, counting and recording the contents of table game drop boxes).

(7) The certificate holder shall be responsible for ensuring that the gaming service provider does not mail Match Play Coupons to individuals on the self-exclusion list under Chapter 503a (relating to self-exclusion) or the exclusion list under Chapter 511a (relating to persons required to be excluded).

(r) A certificate holder may utilize a computerized system that complies with the requirements in this section provided that:

(1) The computerized system creates Match Play Coupons that comply with the requirements in subsection (c).

(2) The computerized system provides an equivalent audit trail and allows for the segregation of duties to satisfy the requirements in this section.

(3) The certificate holder includes in its internal controls required under § 525.2 procedures governing the production, recording and reconciliation of the computer generated Match Play Coupons.

CHAPTER 549. BLACKJACK

§ 549.3. Cards; number of decks; value of cards.

(a) Blackjack shall be played with at least one deck of cards. Except as otherwise provided in subsections (c) and (d), all decks of cards used for the play of Blackjack shall be identical in appearance. Blackjack shall also be played with at least one cutting card, approved by the Bureau of Gaming Operations.

(b) The value of the cards contained in each deck shall be as follows:

- (1) Any card from 2 to 10 shall have its face value.
- (2) Any jack, queen or king shall have a value of ten.

(3) An ace shall have a value of 11, unless that value would give a player or the dealer a score in excess of 21, in which case, the ace shall have a value of 1.

(c) If a double shoe is utilized, Blackjack shall be played with at least two decks of cards that shall be dealt from separate sides of the dealing shoe with the same number of decks used in each side of the double shoe. The cards dealt from both sides of the shoe shall be identical in appearance; however, the backs of the cards being dealt from one side of the shoe, shall be of a different color than the backs of the cards being dealt from the other side of the shoe. In addition, a separate cutting card shall be used in each side of the shoe.

(d) If an automated card shuffling device is utilized, Blackjack shall be played with at least two decks of cards in accordance with the following requirements:

(1) The cards shall be separated into two batches, with an equal number of decks included in each batch.

(2) The cards in each batch must be of the same design, but the backs of the cards in one batch must be of a different color than the cards included in the other batch.

(3) One batch of cards shall be shuffled and stored in the automated card shuffling device while the other batch is being dealt or used to play the game.

(4) Both batches of cards shall be continuously alternated in and out of play, with each batch being used for every other dealing shoe.

(5) The cards from only one batch shall be placed in the discard rack at any given time.

(e) The decks of cards opened for use at a Blackjack table shall be changed at least once every 24 hours. When the certificate holder is dealing Blackjack from the hand in accordance with § 549.23 (relating to Blackjack variations), the cards shall be changed at least every 4 hours.

§ 549.7. Procedure for dealing cards.

* * * * *

(l) Except as provided in § 549.23 (relating to Blackjack variations), players and spectators may not handle, remove or alter any cards used to play Blackjack.

(m) Each player at the table shall be responsible for correctly computing the point count of his hand and no player shall rely on the point counts announced by the dealer.

§ 549.11. Double Down Wager.

(a) Except for when a player has a Blackjack, a player may elect to make a Double Down Wager, which may not exceed the amount of his original wager on the first two cards dealt to him or the first two cards of any split pair, on the condition that one and only one additional card shall be dealt to the hand on which the player has elected to double down.

(b) If a dealer obtains Blackjack after a player makes a Double Down Wager, the dealer shall only collect the amount of the original wager of the player and shall not collect the additional Double Down Wager.

(c) Upon a player's election to make a Double Down Wager, the dealer shall deal the one additional card face up or face down, and placed sideways on the layout.

§ 549.23. Blackjack variations.

A certificate holder may, if specified in its Rules Submission under § 521.2 (relating to table games Rules Submissions), deal Blackjack from the hand and allow the players to touch the cards in accordance with the following requirements:

- (1) No more than two decks of cards shall be used in the game.
- (2) An automated shuffling device shall be used to shuffle the cards.
- (3) After the procedures required under § 549.6 (relating to shuffle and cut of the cards) have been completed, the dealer shall place the deck or decks of cards in either hand. After the dealer has chosen the hand in which to hold the cards, the dealer shall continue to use that hand when holding the cards during that round of play. The cards held by the dealer shall be kept over the table inventory container and in front of the dealer at all times.
- (4) The dealer shall deal each card by holding the deck of cards in the chosen hand and use the other hand to remove the top card of the deck and place it face down on the appropriate area of the layout.
- (5) Prior to commencement of each round of play, the dealer shall remove the first card and place it in the discard rack. The dealer shall then, starting with the player farthest to the dealer's left and continuing around the table in a clockwise direction, deal the cards as follows:
 - (i) One card face down to each box on the layout in which a Blackjack Wager is contained.
 - (ii) One card face up to the dealer.
 - (iii) A second card face down to each box in which a wager is contained.
 - (iv) A second card face down to the dealer.
- (6) After two cards have been dealt face down to each player and the dealer, each player shall, with one hand, examine his cards. All players shall keep their cards in full view of the dealer at all times. Each player, starting with the player farthest to the dealer's left and continuing around the table in a clockwise direction, shall then indicate whether he wishes to surrender as permitted under § 549.9 (relating to surrender), double down as permitted under § 549.11 (relating to Double Down Wager), split pairs as permitted under § 549.12 (relating to splitting pairs), stand or draw additional cards. If a player:
 - (i) Indicates that he wishes to surrender, double down or split a pair, the dealer shall turn over the player's two cards and complete the dealing procedures in accordance with § 549.7 (relating to procedure for dealing cards).
 - (ii) Is dealt additional cards which cause the point total to exceed 21, the player shall immediately discard his first two cards face down.
- (7) As each player indicates his decision, the dealer shall deal face upwards whatever additional cards are necessary to effectuate the player's decision.
- (8) After the decisions of each player have been implemented and all additional cards have been dealt, the dealer shall turn over the hole card and draw any additional cards in accordance with § 549.13 (relating to drawing of additional cards by players and the dealer). The dealer shall announce the dealer's total point count after each additional card is dealt.

(9) After all additional cards have been dealt, the dealer shall turn over each player's two cards and settle all remaining wagers in accordance with § 549.4 (relating to wagers).

CHAPTER 561. PAI GOW POKER

§ 561.1. Definitions.

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

Bank—A player who elects to have the other players and the dealer play against him and accepts the responsibility of paying all winning Pai Gow Poker Wagers.

Co-banking—When the bank and the certificate holder each cover 50% of all winning Pai Gow Poker Wagers.

Envy Bonus—An additional fixed sum payout made to a player who placed a Qualifying Fortune Bonus Wager or Qualifying Emperor's Treasure Wager when another player at the Pai Gow Poker table is the holder of a qualifying hand.

High hand—The five-card hand which is formed from the seven cards dealt at the game of Pai Gow Poker so as to rank equal to or higher than the two-card Low hand.

Low hand—The two-card hand which is formed from the seven cards dealt at the game of Pai Gow Poker so as to rank equal to or lower than the five-card High hand.

Pai Gow Hand—A seven card hand that does not contain a pair, straight or flush.

Qualifying Emperor's Treasure Wager—An Emperor's Treasure Wager of at least \$5.

Qualifying Fortune Bonus Wager—A Fortune Bonus Wager of at least \$5.

Qualifying hand—A Pai Gow Poker hand with a rank of four-of-a-kind or higher formed from the seven cards dealt to a player.

Rank or ranking—The relative position of a card or group of cards as set forth in § 561.6 (relating to Pai Gow Poker rankings; cards; poker hands).

Set or setting the hands—The process of forming a High hand and Low hand from the seven cards dealt.

§ 561.5. Shuffle and cut of the cards.

* * * * *

(d) The cut of the cards shall be offered to players in the following order:

- (1) The first player arriving at the table, if the game is just beginning.
- (2) The player who accepts the bank under § 561.15 (relating to player bank; co-banking; selection of bank; procedures for dealing), if offered by the certificate holder provided, however, that if the bank refuses the cut, the cards shall be offered to the player to the right of the bank, and continuing around the table in a counterclockwise manner, until a player accepts the cut.
- (3) The player at the farthest position to the right of the dealer. If this player refuses, the offer to cut the cards shall rotate to each player in a counterclockwise manner.

* * * * *

§ 561.12. Procedure for determining the starting position for dealing cards or delivering stacks of cards.

(a) To determine the starting position for the dealing of cards or the delivery of stacks of cards for the game of Pai

Gow Poker, a certificate holder shall use one of the procedures authorized in subsection (b), (c) or (d).

(b) If a Pai Gow Poker shaker is used:

(1) The dealer shall shake the shaker and dice described in § 561.8 (relating to Pai Gow Poker shaker and dice; computerized random number generator; button) at least three times so as to cause a random mixture of the dice. If a player is the bank, in accordance with § 561.15 (relating to player bank; co-banking; selection of bank; procedures for dealing), the player shall shake the Pai Gow Poker shaker instead of the dealer. The dealer shall ensure that the bank shakes the Pai Gow Poker shaker at least three times.

(2) The dealer shall then remove the lid covering the Pai Gow Poker shaker, total the dice and announce the total. If a player is the bank and the player inadvertently removes the lid, the Pai Gow Poker shaker shall be covered and reshaken.

(3) To determine the starting position, the dealer shall count counterclockwise around the table, with the position of the dealer considered number one, and continuing around the table with each betting position counted in order, including the dealer, regardless of whether there is a wager at the position, until the count matches the total of the three dice. If a player is the bank, when counting the betting positions to determine the starting position, the bank, instead of the dealer, shall be considered number one.

(4) After the dealing or delivery of the cards has been completed, the dealer shall place the cover on the Pai Gow Poker shaker and shake the shaker once. The Pai Gow Poker shaker shall then be placed to the right of the dealer.

(c) The dealer may use a computerized random number generator to select and display a number from 1—7 inclusive, and verbally announce the number. To determine the starting position, the dealer shall count counterclockwise around the table, with the position of the dealer considered number one, and continuing around the table with each betting position counted in order, including the dealer, regardless of whether there is a wager at the position, until the count matches the number displayed by the random number generator. If a player is the bank, when counting the betting positions to determine the starting position for dealing the cards, the bank, instead of the dealer, shall be considered number one.

(d) If an automated card shuffling device and dealing shoe is used under § 561.11 (relating to procedures for dealing the cards from an automated dealing shoe), the dealer may use a flat button approved by the Bureau of Gaming Operations to indicate the starting position. At the commencement of play, the button shall be placed in front of the dealer. Thereafter, the button shall rotate around the table in a clockwise manner after each round of play.

(e) After the starting position for a round of play has been determined, a certificate holder may mark that position by the use of an additional cut card or similar object approved by the Bureau of Gaming Operations.

§ 561.13. Procedures for completion of each round of play; setting of hands; payment and collection of wagers; payout odds; vigorish.

* * * * *

(c) After all players have set their hands and placed the cards on the table, the seven cards of the dealer shall

be turned over and the dealer shall set his hands by arranging the cards into a High and Low hand. The dealer shall then place the two hands face up on the appropriate area of the layout. If a player is acting as the bank in accordance with § 561.15 (relating to player bank; co-banking; selection of bank; procedures for dealing), after all players have set their hands and placed the cards on the table, the bank shall turn over his seven cards and set the two hands by arranging the cards in a high and low hand on the appropriate area of the layout.

* * * * *

§ 561.14. Irregularities; invalid roll of dice.

* * * * *

(i) If the dealer or the bank, if applicable, does not set his hands in the manner submitted to the Bureau of Gaming Operations under § 521.2 (relating to table games Rules Submissions), the hands shall be reset in accordance with the Rules Submission and the round of play completed.

* * * * *

§ 561.15. Player bank; co-banking; selection of bank; procedures for dealing.

(a) A certificate holder may, if specified in its Rules Submission under § 521.2 (relating to table games Rules Submissions), offer to all players at a Pai Gow Poker table the opportunity to bank the game. If the certificate holder elects this option, this section controls for any round of play in which a player is the bank. All other provisions of this chapter apply to the extent that they do not conflict with this section.

(b) A player may not be the bank at the start of the game. For the purposes of this section, “start of the game” means the first round of play after the dealer is required to shuffle the cards in accordance with § 561.5 (relating to shuffle and cut of the cards).

(c) After the first round of play, each player at the table shall have the option to either be the bank or pass the bank to the next player. The dealer shall offer the bank to each player, starting with the player farthest to the dealer’s right and continuing around the table in a counterclockwise manner, until a player accepts the bank. The dealer shall place a marker designating the bank in front of the player who accepts the bank. If the first player offered the bank accepts, the player seated to the right of the bank shall be offered the bank first on the next round of play. A player may not bank two consecutive rounds of play. If no player accepts the bank, the round of play shall proceed in accordance with the rules of play in this chapter.

(d) Before a player may bank a round of play, the dealer shall confirm that:

(1) The player placed a Pai Gow Poker Wager against the dealer during the last round of play in which a player was not banking the game.

(2) The player has sufficient value chips or plaques on the table to cover all of the Pai Gow Poker Wagers placed by other players at the table for that round of play.

(e) A certificate holder may, if specified in its Rules Submission under § 521.2, offer the bank the option of co-banking the round of play. If the certificate holder offers this option, it shall be made available to all players at the table. If the bank wishes to use this option and co-bank 50% of the winning Pai Gow Poker Wagers, the bank shall specifically request to co-bank with the dealer. The dealer shall place a marker designating the player

co-banking that round of play. When the dealer is co-banking, the dealer shall be responsible for setting the hand of the bank in the manner as specified in the certificate holder's Rules Submission under § 521.2. When co-banking is in effect, the dealer may not place a wager against the bank.

(f) If a player is the bank, the player may wager on only one betting area.

(g) Once the dealer has determined that a player may be the bank, as required under subsection (d), the dealer shall shuffle the cards in accordance with § 561.5. The dealer shall then, unless co-banking is in effect, remove value chips from the table inventory container in an amount equal to the banker's last Pai Gow Poker Wager made against the dealer or in an amount as specified in the certificate holder's Rules Submission. This amount shall be the amount the dealer wagers against the bank. The bank may direct that the sum wagered by the dealer be a lesser amount or that the dealer place no wager during that round of play. Any amount wagered by the dealer shall be placed in front of the table inventory container.

(h) The dealer shall then deal the cards in accordance with § 561.9, § 561.10 or § 561.11 (relating to procedures for dealing the cards from a manual dealing shoe; procedures for dealing the cards by hand; and procedures for dealing the cards from an automated dealing shoe).

(i) If the dealer placed a wager against the bank, after each player has set his two hands and placed them on the table layout, the two hands of the dealer shall then be set. Once the dealer has formed a high and low hand and placed the hands face up on the appropriate area of the table layout, the dealer shall expose the hands of the bank and determine if the hands of the dealer are higher in rank than the hands of the bank. If the bank did not set his hands correctly, the dealer shall reset the bank's hands in accordance with the certificate holder's Rules Submission under § 521.2. If the dealer wins, the cards of the dealer shall be stacked face up to the right of the table inventory container with the amount wagered by the dealer against the bank placed on top. If the dealer ties, the dealer shall return the amount wagered by the dealer against the bank to the table inventory container. If the dealer loses, the amount wagered by the dealer against the bank shall be moved to the center of the layout.

(j) If a player is banking the round of play, once the dealer has determined the outcome of the Pai Gow Poker Wager of the dealer against the bank, if any, the dealer shall, starting with the player farthest to the dealer's right and continuing around the table in a counterclockwise manner, expose the hands of each player. The dealer shall compare the high and low hand of the player to the high and low hand of the bank and shall announce if the wager shall win, lose or tie. Losing wagers shall be immediately collected and placed in the center of the table. All winning Pai Gow Poker Wagers, including the dealer's wager, shall be paid by the dealer with the value

chips located in the center of the table. If this amount becomes exhausted before all winning Pai Gow Poker Wagers have been paid, the dealer shall collect from the bank an amount equal to the remaining winning wagers and place that amount in the center of the layout. The remaining winning wagers shall be paid from the amount in the center of the layout. If, after collecting all losing wagers and paying all winning Pai Gow Poker Wagers, there is a surplus in the center of the table, this amount shall be charged a 5% vigorish in accordance with § 561.13(m) (relating to procedures for completion of each round of play; setting of hands; payment and collection of wagers; payout odds; vigorish). Once the vigorish has been paid, the remaining amount shall be given to the bank.

(k) Immediately after a winning Pai Gow Poker Wager of the dealer is paid, this amount and the dealer's original wager shall be returned to the table inventory container.

(l) If a player and the dealer are co-banking the round of play, once the dealer has set the co-bank's hand under subsection (e), the dealer shall, starting with the player farthest to the dealer's right and continuing around the table in a counterclockwise manner, expose the hands of each player. The dealer shall compare the high and low hand of the player to the high and low hand of the bank and announce if the wager shall win, lose or tie. Losing wagers shall be immediately collected and placed in the center of the table. All winning Pai Gow Poker Wagers shall be paid by the dealer with the value chips located in the center of the table. If this amount becomes exhausted before all winning Pai Gow Poker Wagers have been paid, the dealer shall collect from the bank an amount equal to 1/2 of the remaining winning wagers and place that amount in the center of the layout. The dealer shall remove an amount equal to 1/2 of the remaining winning wagers from the table inventory container and place that amount in the center of the layout. The remaining winning wagers shall be paid from the total amount in the center of the layout. If, after collecting all losing wagers and paying all winning Pai Gow Poker Wagers, there is a surplus in the center of the table, this amount will be counted and the dealer shall place 1/2 of this amount into the table inventory container. The dealer shall collect a 5% vigorish, in accordance with § 561.13(m), on the remaining amount. Once the vigorish has been paid, the remaining amount shall then be given to the bank.

(m) Each player who has a winning Pai Gow Poker Wager against the bank shall pay to the dealer, in accordance with § 561.13(m), a 5% vigorish on the amount won.

(n) If the certificate holder offers an optional wager authorized under § 561.13a, § 561.13b, § 561.13c or § 561.13d, the dealer, not the bank, shall pay all winning optional wagers.

[Pa.B. Doc. No. 11-1596. Filed for public inspection September 16, 2011, 9:00 a.m.]