

# STATEMENTS OF POLICY

## Title 58—RECREATION

### PENNSYLVANIA GAMING CONTROL BOARD

[ 58 PA. CODE CH. 465b ]

#### Prepaid Access Instrument Transactions

On June 10, 2020, the Pennsylvania Gaming Control Board (Board) adopted the statement of policy—technical standard in § 465b.2 (relating to prepaid access instrument transactions—technical standard).

In the October 30, 2017 amendment to the Pennsylvania Race Horse Development and Gaming Act (Act), provisions were added to 4 Pa.C.S. Part II (relating to gaming), specifically §§ 13A27 and 1504 (relating to other financial transactions; and wagering on credit) that permitted slot machine licensees or table games certificateholders to use electronic credit systems or other cashless wagering systems to process cash-free transactions utilizing prepaid access instruments. These prepaid access instrument transactions as addressed in this statement of policy—technical standard would allow a patron to purchase value chips at a gaming table, credits on a slot machine, fully automated electronic gaming table or electronic wagering terminal, withdraw cash or a gaming voucher at a cashier's cage, or place a sports wager at the sports book.

This statement of policy—technical standard contains all applicable provisions for a slot machine licensee to begin offering prepaid access instrument transactions at its licensed facility, including provisions for how a patron must set up a prepaid access instrument account with a slot machine licensee, how the accounts may be funded, the types of transactions involved, and the internal controls the slot machine licensee or table games certificateholder must submit to the Board.

This statement of policy—technical standard is in response to the novel coronavirus (COVID-19) pandemic crisis, in an attempt to limit the possible spread of COVID-19 by decreasing the amount of cash-based transactions between casino patrons and casino staff. These provisions will provide a safe alternative to cash-based transactions while protecting the integrity of gaming operations in this Commonwealth. It is anticipated that with the proper safeguards in place, these prepaid access instrument transactions will aid in providing both a safe and secure system for patrons to engage in gaming activities at casinos in this Commonwealth.

#### Contact Person

The contact person for questions about this statement of policy—technical standard is Chad W. Zimmermann, Assistant Chief Counsel, Pennsylvania Gaming Control Board, (717) 265-8356.

#### Effective Date

This statement of policy—technical standard is effective upon publication.

DAVID M. BARASCH,  
Chairperson

(Editor's Note: Title 58 of the *Pennsylvania Code* is amended by adding the statement of policy in § 465b.2 to read as set forth in Annex A.)

**Fiscal Note:** 125-232. No fiscal impact; (8) recommends adoption.

## Annex A

### TITLE 58. RECREATION

#### PART VII. GAMING CONTROL BOARD

#### Subpart E. SLOT MACHINE, TABLE GAME AND ASSOCIATED EQUIPMENT TESTING AND CONTROL; ACCOUNTING AND INTERNAL CONTROLS

#### CHAPTER 465b. TECHNICAL STANDARDS—STATEMENT OF POLICY

#### § 465b.2. Prepaid access instrument transactions—technical standard.

(a) The following words and terms, when used in this section, have the following meanings, unless the context clearly indicates otherwise:

*Cashless wagering system*—The collective hardware, software, communications technology and other ancillary equipment used to facilitate prepaid access instrument transactions at a slot machine, gaming table, cashier's cage or sportsbook.

*Prepaid access instrument*—A card, code, electronic serial number, mobile identification number, personal identification number or similar device that:

(i) Allows patron access to funds that have been paid in advance and can be retrieved or transferred through the use of the device.

(ii) Qualifies as an access device for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System under 12 CFR Part 205 (relating to electronic fund transfers (Regulation E)).

(iii) Must be distributed by a slot machine licensee or its affiliates to be considered a cash equivalent at the slot machine licensee's licensed facility or the location of the slot machine licensee's affiliates.

(iv) Must be used in conjunction with an approved cashless wagering system or electronic credit system to transfer funds for gaming purposes.

*Prepaid access instrument account*—An account established by a patron with a slot machine licensee or table games certificateholder in which a player deposits funds that may be accessed by means of a prepaid access instrument to purchase value chips at a gaming table, withdraw cash or purchase a gaming voucher at the cage, purchase slot credits at a slot machine, purchase credits on a fully automated electronic gaming table or electronic wagering terminal, pay entry fees to participate in a slot machine, table game or sports wagering tournament, or to place a sports wager at a sportsbook with a sports wagering ticket writer or on a sports wagering self-service kiosk.

(b) A slot machine licensee or table games certificateholder may utilize an electronic credit system approved for use under 58 Pa. Code § 609a.19 (relating to use of an electronic credit system for the processing of Counter Checks and customer deposits) or an approved cashless wagering system to process prepaid access instrument transactions for the purchase of value chips at a gaming table, withdrawal of cash or purchase of a gaming voucher at the cage, purchase of slot credits at a slot machine, purchase of credits on a fully automated electronic gaming table or electronic wagering terminal, payment of entry fees to participate in a slot machine,

table game or sports wagering tournament, or the placement a sports wager at a sportsbook with a sports wagering ticket writer or on a sports wagering self-service kiosk.

(c) A slot machine licensee or table games certificateholder that elects to utilize an electronic credit system or cashless wagering system to process prepaid access instrument transactions shall submit internal controls specifying all of the following:

(1) Which positions, as described in the slot machine licensee or table game certificateholder's jobs compendium, will have administrator, accounting and revenue audit, and cage function access to the electronic credit system or cashless wagering system, and the functions or permissions assigned to each of those roles. The slot machine licensee or table games certificateholder shall submit a narrative description of the permissions for each of the roles and the level of access assigned.

(2) Which positions will have permission to reset a patron's personal identification number (PIN).

(3) How a patron's prepaid access instrument account may be established with the slot machine licensee or table games certificateholder, including procedures for identity and age verification and checks against the Board's involuntary exclusion and self-exclusion lists.

(4) How a patron's prepaid access instrument account may be funded by the patron through external sources (that is, credit card, debit card, Automated Clearing House (ACH) transaction, wire transfer, prepaid card, cash or cash equivalent, and the like), including any limits the certificateholder may impose on prepaid access instrument deposits or transactions.

(5) The policies and procedures to be implemented relating to how the slot machine licensee or table games certificateholder will process prepaid access instrument transactions at slot machines, gaming tables, fully automated electronic gaming tables, electronic wagering terminals, the cashier's cage and the sportsbook.

(6) How a patron's value chips, slot credits, electronic gaming credits, tournament winnings, gaming vouchers or winning sports wagering tickets may be added back to the patron's prepaid access instrument account at a slot machine, gaming table, cashier's cage or sportsbook.

(7) The flow of receipts and the reports generated through the revenue process.

(8) How a voided transaction in the electronic credit system or cashless wagering system will be processed, specifying which positions will have authority to void a transaction, ensuring that at least two employees with no incompatible functions process the void and that a detailed explanation for the void is recorded in the electronic credit system or other cashless wagering system.

(9) How prepaid access instrument transactions will be processed and accurately recorded if the electronic credit system or cashless wagering system becomes inoperable.

(d) Prior to implementing an electronic credit system or cashless wagering system to process prepaid access instrument transactions, the slot machine licensee or table games certificateholder shall establish and receive approval from Board staff to conduct a test period of the electronic credit system or cashless wagering system and any associated devices. If the slot machine licensee or table games certificateholder has already been approved to use an electronic credit system for processing Counter Check or customer deposit transactions under § 609a.19,

a new test period to test the prepaid access instrument transaction functionality shall also be conducted. No prepaid access instrument transactions may occur until approval is granted by the Board's Executive Director.

(e) To establish a prepaid access instrument account for a patron, the patron shall establish a PIN to access the funds in the prepaid access instrument account, which must be an encrypted PIN.

(f) After creating a prepaid access instrument account with the slot machine licensee or table games certificateholder, the patron shall be issued a prepaid access instrument to access the funds deposited in the prepaid access instrument account at a slot machine, fully automated gaming table, electronic wagering terminal, gaming table, cashier's cage or sportsbook.

(1) The prepaid access instrument issued by the slot machine licensee or table games certificateholder may be in the form of a card, code, electronic serial number, mobile identification number, personal identification number or similar device.

(2) The slot machine licensee certificateholder may implement an electronic credit system or cashless wagering system that links a patron's prepaid access instrument account to the patron's player rewards program card and permit a patron to use that card to conduct prepaid access instrument transactions.

(g) Patron deposits or transfers to the prepaid access instrument account may be completed in the following ways:

(1) Deposits of cash or cash equivalents at the cashier's cage.

(2) Cashier's cage deposits with a credit card, debit card, ACH transaction or wire transfer through a device connected to the electronic credit system or cashless wagering system.

(3) Online or mobile deposits with a credit card, debit card, ACH transaction or wire transfer through the certificateholder's web site or a mobile application.

(4) Cash-out transactions of any remaining credits on the credit meter a slot machine, fully automated electronic gaming table or electronic wagering terminal back to the patron's prepaid access instrument account.

(5) Cash-out transactions of value chips at a gaming table back to the patron's prepaid access instrument account.

(6) Deposits of cash at a ticket writer window or sports wagering self-service kiosk in a sportsbook, or the redemption of a winning sports wagering ticket and the transfer of winnings to the patron's prepaid access instrument account.

(7) Any other method as approved by the Board.

(h) For transactions involving funds deposited in a patron's prepaid access instrument account utilizing an electronic credit system or other cashless wagering system, if the transaction is conducted:

(1) At a gaming table to purchase value chips, a table games dealer, boxperson or previously listed person shall use an approved device connected to the electronic credit system or cashless wagering system that is either assigned to and positioned at the gaming table or a portable device kept at the pit stand and shall process the transaction in accordance with the procedures set forth in the slot machine licensee's or table game certificateholder's internal controls. After the transaction is com-

plete and value chips are distributed to the patron, a document evidencing the prepaid access instrument transaction shall be generated and placed in the drop box.

(2) At the cage to withdraw cash or purchase a gaming voucher, a cage cashier shall use an approved device connected to the electronic credit system or cashless wagering system and shall process the transaction in accordance with the procedures set forth in the slot machine licensee's or table game certificateholder's internal controls. After the transaction is complete and the cash or gaming voucher has been distributed to the patron, a document evidencing the prepaid access instrument transaction shall be generated and placed in the cashier's impressed inventory.

(3) At a slot machine, fully automated electronic gaming table or electronic wagering terminal, a patron shall use an approved device connected to the electronic credit system or cashless wagering system that is affixed to the slot machine, fully automated electronic gaming table or electronic wagering terminal to process the prepaid access instrument transaction in accordance with the procedures set forth in the slot machine licensee's or table game certificateholder's internal controls. After the transaction is complete, the credits purchased shall be put on the credit meter on the slot machine, fully automated electronic gaming table or electronic wagering terminal. The electronic credit system or cashless wagering system shall properly account for and record all prepaid access instrument transactions as a cash-in transaction for gross gaming revenue reporting purposes.

(4) At a ticket writer window in the sportsbook to place a sports wager, a ticket writer shall use an approved device connected to the electronic credit system or cashless wagering system and shall process the transaction in accordance with the procedures set forth in the slot

machine licensee's or table game certificateholder's internal controls. After the transaction is complete and the sports wagering ticket has been distributed to the patron, a document evidencing the prepaid access instrument transaction shall be generated and placed in the ticket writer's inventory and shall be properly accounted for and recorded for gross sports wagering revenue reporting purposes.

(5) At a sports wagering self-service kiosk to place a sports wager, a patron shall use an approved device connected to the electronic credit system or cashless wagering system that is affixed to the kiosk to process the prepaid access instrument transaction in accordance with the procedures set forth in the slot machine licensee's or table game certificateholder's internal controls. After the transaction is complete and the sports wagering ticket has been distributed to the patron, the electronic credit system or cashless wagering system shall properly account for and record all prepaid access instrument transactions at a kiosk for gross sports wagering revenue reporting purposes.

(i) A certificateholder that utilizes an electronic credit system or cashless wagering system to process prepaid access instrument transactions shall record each prepaid access instrument transaction at a slot machine, gaming table, electronic gaming table or electronic wagering terminal on the count reports required under § 465a.25 (relating to counting and recording of slot cash storage boxes and table game drop boxes) and each prepaid access instrument transaction in a sportsbook on all necessary reports required under Subpart Q (relating to sports wagering).

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