Regulatory Analysis Form

(Completed by Promulgating Agency)

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

INDEPENDENT REGULATORY REVIEW COMMISSION

(1) Agency
Pennsylvania Gaming Control Board

(2) Agency Number: 125
Identification Number: 223

IRRC Number:

(3) PA Code Cite: 58 Pa.Code §§ 686a, 687a, and 688a

(4) Short Title:
Table Game Rules of Play

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

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(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 add three new table games to the compliment of games available for play in the Commonwealth.

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

The Pennsylvania Gaming Control Board's general authority is in 4 Pa.C.S. § 1202(b)(30)(relating to general and specific powers) and the specific authority in 4 Pa.C.S. §§ 13A02(1) and (2).

(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 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 rule making will give certificate holders additional optional flexibility in the games that they provide to patrons and is needed to establish the rules of play. Patrons who play these games will benefit from the standardization of the rules of play.

(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 rule making expands the compliment of table games available for play. The Board reviewed all payout tables submitted by the manufacturer/proprietary owner. As all tables submitted are approved, the regulatory requirements contains in this rulemaking should not negatively impact 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 nor 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 other persons or groups were involved in the development and drafting of the regulation.

(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?

There are currently thirteen slot machine licensees that have a certificate to operate table games, all of which will be affected by the regulation in a positive manner in that they will have greater

flexibility in the compliment of games available for patron play. Casinos that operate in the Commonwealth of Pennsylvania are not small businesses as defined in the United States Small Business Administration's Small Business Size Regulations, under 13 C.F.R. Ch. 1 Part 121.

(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.

Any of the thirteen slot machine licensees that would like to offer the games contained in this rulemaking will be required to comply with the requirements of the rulemaking.

(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.

It is not anticipated that this rulemaking will have a negative financial or economic impact on the regulated community. Slot machine licensees will be impacted by this rulemaking as they will have a greater number of options to offer at their facilities.

In Over/Under, the expected payback would be 98.95% on the required wagers. For the Bonus Wager, the expected payback wager on the approved paytable would be 94.393%.

In DJ Wild Stud Poker, the expected payback on the Ante, Blind, and Play Wagers using perfect strategy is 98.99%. For the Trips Bonus Wager, the expected payback for the approved paytables are 98.843%, 92.474%, 92.338%, and 91.454%. For the Bad Beat Bonus Wager, the expected payback for the approved paytables are 86.8%, 87.682%, 85.904%, and 85.848%. For the Progressive Wager, the expected payback for the approved paytables is 77%.

In Face Up Pai Gow Poker, the expected payback on the required wagers is 98.404%. For the Ace High Bonus Wager, the expected payback for the approved paytables is 96.425%, 95.233%, 94.169%, 93.141%, and 92.647. For the Fortune Bonus Wager, the maximum payback for the approved paytables is 93.94%, 94.15%, 94.10%, 93.41%, 92.62%, and 94.10%. For the Progressive Wager, the payback percentage is 75.751%, 78.073%, 75.568%, 91.937%, 80.962%, 75.349%, and 75.746%.

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

This rulemaking will provide operators with more table game options to offer and ensure consistency for patrons in the methods of play of the games. It is not anticipated that there will be any adverse effects associated with the approval of these games.

(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.

Certificate holders that decide to offer the game will be required to submit updated rules submission forms and internal controls to reflect any addition. The rules forms are simple

checklists that take little time to complete, and are available to operators electronically and are also submitted electronically. Any costs incurred to purchase equipment and train employees should be offset by the proceeds of gaming.

(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 fiscal impact on local governments. Host municipalities and counties will benefit from the local share funding that is mandated by the Pennsylvania Race Horse Development and Gaming Act of 2004, as amended.

(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.

The Board does not expect that the requirements of this rulemaking will have any fiscal impact on the Board or any other Commonwealth agency. Internal control procedures and table games rules submission forms will be reviewed by existing Board Staff.

(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.

As stated above, if an operator would like to offer the games contained in this rulemaking, the operator will have to submit updated internal controls, rules submission forms, layout schematics, etc. for approval. The rules submission forms are straightforward checklists and are submitted electronically.

(22a) Are forms required for implementation of the regulation?

Yes, operators will be required to electronically submit a rules submission form for approval before offering the table game.

(22b) If forms are required for implementation of the regulation, **attach copies of the forms here.** If your agency uses electronic forms, provide links to each form or a detailed description of the information required to be reported. **Failure to attach forms, provide links, or provide a detailed description of the information to be reported will constitute a faulty delivery of the regulation.**

Attached are copies of the checklists that operators would be required to complete and electronically submit to the agency prior to offering Over/Under, DJ Wild Stud Poker, or Face Up Pai Gow Poker.

(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 2018/2019
PGCB Overall Budget	$39,900,000	$40,169,000	$41,665,000	$46,153,000

(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.

The thirteen slot machine licensees that operate in the Commonwealth of Pennsylvania will be impacted by this rulemaking; however, in accordance with the United States Small Business Administration's Small Business Size Regulations, under 13 CFR Ch. 1 Part 121, none of the casinos qualify as a small business.

(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.

As all rules submission forms are simple to complete and are submitted to the PGCB electronically, it is not anticipated that there will be any significant reporting, recordkeeping or other administrative costs associated with this regulation.

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

As stated above, none of the thirteen operational slot machine licensees are small businesses.

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

Not applicable.

(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.

No special provisions have been added.

(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 this rulemaking contains the rules of play for three table games. This regulation reflects the least burdensome means of maintaining regulatory oversight of this activity.

(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:

a) The establishment of less stringent compliance or reporting requirements for small businesses;
b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
c) The consolidation or simplification of compliance or reporting requirements for small businesses;
d) The establishment of performance standards for small businesses to replace design or operational standards required in the regulation; and
e) The exemption of small businesses from all or any part of the requirements contained in the regulation.

(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 length of the public comment period:	**30 days**
B. The date or dates on which any public meetings or hearings will be held:	**Held April 17, 2019**
C. The expected date of delivery of the final-form regulation:	**1st Quarter - 2021**
D. The expected effective date of the final-form regulation:	**Upon final publication**
E. The expected date by which compliance with the final-form regulation will be required:	**Upon final publication**
F. The expected 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 consistently reviews its regulations and proposes amendments as the need arises.

Rules Submission
DJ Wild Stud Poker-58 PA Code Chapter 687a

Name of Licensee:	
Date Filed:	
Name of Table Games Manager or above who reviewed and approved this submission:	

If a selected option does not apply to all tables, please submit additional information in a separate document.

Chapter 687a.	Description	Option Selected
.3(b)	Do you use an automated card shuffling device?	Yes: _____ No: _____
.4(e)	Are the playing cards preinspected and preshuffled?	Yes: No:
.5(b)	If an automated card shuffling device is used, does it count the number of cards in the deck after the completion of each shuffle and indicate whether 53 cards are present?	Yes: _____ No: _____
.8(a)	Are cards dealt from a manual dealing shoe?	Yes: No:
.9(a)	Are cards dealt from the dealer's hand (an automated shuffling device must be utilized)?	Yes: _____ No: _____
.10(a)	Are cards dealt from an automated dealing shoe?	Yes: No:
.7(b)	If a player leaves the table during a round of play, do you consider any wagers made by the player abandoned and treat them as losing wagers?	Yes: _____ No: _____
.7(e)	Do you allow players to wager on more than one adjacent box? What is the total number of boxes on which a player may place a wager in one round of play?	Yes: _____ No: _____ #:
.7(d)(2)	Do you offer a Progressive Bonus Wager? If yes, What is the required bet for a Progressive Bonus Wager?	Yes: _____ No: _____ $1: _____ $5: _____
.11(b)(3)	Do you allow folded hands to qualify for the Progressive Bonus Wager?	Yes: _____ No: _____

.7(d)(3) **.12(d)**	Do you offer a Trips Bonus Wager? If yes, Which paytable do you use to pay a winning Trips Bonus Wager	Yes: _____ No: _____ Payout Table:
.7(d)(4) **.12(e)**	Do you offer a Two-Way Bad Beat Bonus Wager? If yes, Which paytable do you use to pay a winning Two-Way Bad Beat Bonus Wager?	Yes: _____ No: _____ Payout Table:

Rules Submission
Face Up Pai Gow Poker-58 PA Code Chapter 688a

Name of Licensee:	
Date Filed:	
Name of Table Games Manager or above who reviewed and approved this submission:	

If a selected option does not apply to all tables, please submit additional information in a separate document.

Chapter 688a.	Description	Option Selected
.2(c)	Is the starting position for the deal of cards determined by using: Three dice and a Pai Gow Shaker? A computerized random number generator?	 Yes: _____ No: _____ Yes: _____ No: _____
.3(b)	Do you use an automated card shuffling device?	Yes: _____ No: _____
.4(e)	Are the playing cards preinspected and preshuffled?	Yes: _____ No: _____
.5(j)	Do you mark the starting position for a round of play? If yes, What object do you use?	Yes: _____ No: _____ Object:
.7(b)	If a player leaves the table during a round of play, do you consider any wagers made by the player abandoned and treat them as losing wagers?	Yes: _____ No: _____
.7(e)(1) .12(b)	Do you offer the player the optional wager of Ace High Bonus Wager? If yes, Which paytable do you use to pay out winning Ace High Bonus Wagers?	Yes: _____ No: _____ Pay Table: _____

Rules Submission
Face Up Pai Gow Poker-58 PA Code Chapter 688a

.7(e)(2) **.12(c)**	Do you offer the player the optional wager of Fortune Bonus Wager? If yes, Which paytable do you use to pay out winning Fortune Bonus Wagers and Envy Bonus payouts?	Yes: _____ No: _____ Pay Table: _____
7(e)(3) **.12(d)**	Do you offer the player the optional wager of Progressive Payout Wager? If yes, Which paytable do you use to pay out winning Progressive Payout Wagers and Envy Bonus payouts?	Yes: _____ No: _____ Pay Table:
.7(f)	Do you permit players to wager on two adjacent betting areas?	Yes: _____ No: _____
.8(a)	Do you use a manual dealing shoe?	Yes: _____ No: _____
.9(a)	Are cards dealt from the dealer's hand (an automated card shuffling device must be used to shuffle the cards)?	Yes: _____ No: _____
.10(a)	Are cards dealt from an automated dealing shoe?	Yes: _____ No: _____
.11(c)	Provide a copy of house rules for setting hands in a separate tab.	

Rules Submission
Over/Under-58 PA Code Chapter 686a

Name of Licensee:	
Date Filed:	
Name of Table Games Manager or above who reviewed and approved this submission:	

If a selected option does not apply to all tables, please submit additional information in a separate document.

Chapter 686a.	Description	Option Selected
.2(d)	Is the height of the discard rack: Equal to the height of the full stack of cards? Taller than the height of full stack of cards with a visible mark on its side to show the exact height of the full stack of cards?	 Yes: _____ No: _____ Yes: _____ No: _____
.3(b)	Do you use an automated shuffling device?	Yes: No:
.3(b)	Do you use a continuous shuffler?	Yes: No:
.4(e)	Are the playing cards preinspected and preshuffled?	Yes: No:
.6(a)	Do you accept verbal wagers, accompanied by cash, that are confirmed by the dealer and a floorperson and expeditiously converted into gaming chips or plaques?	Yes: _____ No: _____
.6(e)	Do you offer players the optional wager of Bonus Wager?	Yes: No:
.6(f)	Do you allow players to wager on more than one adjacent box? What is the total number of boxes on which a player may place a wager in one round of play?	Yes: _____ No: _____ # :