



## **MASSACHUSETTS GAMING COMMISSION MEETING**

October 23, 2014

9:30 a.m.

**Boston Convention and Exhibition Center**

415 Summer Street, Room 102B

Boston, MA



Massachusetts Gaming Commission

84 State Street, 10th Floor, Boston, Massachusetts 02109 | TEL 617.979.8400 | FAX 617.725.0258 | [www.massgaming.com](http://www.massgaming.com)



**NOTICE OF MEETING and AGENDA**  
October 23, 2014

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, notice is hereby given of a meeting of the Massachusetts Gaming Commission. The meeting will take place:

**Thursday, October 23, 2014**  
**9:30 a.m.**  
**Boston Convention and Exhibition Center**  
415 Summer Street, Room 102B  
Boston, MA

**PUBLIC MEETING - #137**

1. Call to order
2. Approval of Minutes
  - a. Meeting 134
  - b. September 25, 2014
  - c. October 9, 2014
3. Administration – Rick Day, Executive Director
  - a. General Update
  - b. Licensee Quarterly Report - Penn National Gaming – J. Pinck, Pinck & Co.
4. Ombudsman Report – John Ziemba
  - a. License Designee Monthly Progress Report - MGM
  - b. License Designee Monthly Progress Report - Wynn MA, LLC
5. Research and Problem Gambling – Mark Vander Linden, Director
  - a. Report on Play Management – Judith Glynn – Strategic Science
  - b. Draft Credit, Checks, ATM and Bank Card Regulations - T. Grossman, Deputy General Counsel
6. Workforce, Supplier and Diversity Development – Jill Griffin, Director
  - a. Best Practices to Increase Diversity in Construction
    - i. Mark Erlich – New England Regional Council of Carpenters
    - ii. Brian Doherty – Building and Construction Trades – Metro District

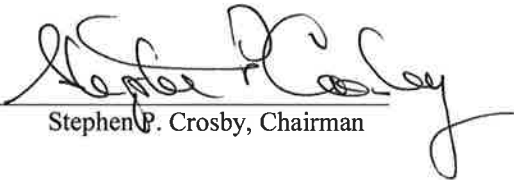


Massachusetts Gaming Commission

7. Legal Division – Catherine Blue, General Counsel
  - a. Draft Race Horse Development Fund Regulations
  - b. Amended SBIS and Final Version of Capital Investment, Surveillance and Administrative Search and Seizure Regulations – C. Blue, General Counsel - VOTE
  
8. Investigation and Enforcement Bureau – Karen Wells, Director
  - a. Wynn MA, LLC Qualifier
  - b. Section 1 Internal Controls Accounting and Gaming Procedure – B. Band, Assistant Director – Possible VOTE
  - c. Draft Gaming Equipment Regulations – B. Band, Assistant Director and L. Lillios, Deputy General Counsel
  
9. Other business – reserved for matters the Chair did not reasonably anticipate at the time of posting.

I certify that on this date, this Notice was posted as “Gaming Commission Meeting” at [www.massgaming.com](http://www.massgaming.com) and emailed to: [regs@sec.state.ma.us](mailto:regs@sec.state.ma.us), [melissa.andrade@state.ma.us](mailto:melissa.andrade@state.ma.us).

10/20/14  
(date)

  
Stephen P. Crosby, Chairman

**Date Posted to Website:** October 21, 2014 at 10:30 a.m.



Massachusetts Gaming Commission



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## Meeting Minutes

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**Date/Time:** September 8-17, 2014

**Place:** **September 8-12, 2014**  
Boston Convention and Exhibition Center  
415 Summer Street, Room 102-B  
Boston, Massachusetts

**September 15-17, 2014**  
Boston Teachers Union Hall  
180 Mt. Vernon Street  
Dorchester, Massachusetts

**Present:** Commissioner Gayle Cameron  
Commissioner James F. McHugh  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga

**Absent:** Chairman Stephen P. Crosby (recused from Region A matters)

### **Call to Order**

See transcript page 2-11

9:10 a.m. Commissioner McHugh called to order the 134th public meeting.

### **Category 1 Region A Evaluation Presentations and Deliberation**

#### **Suitability update from IEB and Legal**

See transcript pages 11-37

9:19 a.m. Director Wells presented an update on the suitability of Wynn MA, LLC and Mohegan Sun Massachusetts.

9:22 a.m. General Counsel Blue gave an update on compliance with the conditions imposed by the Commission upon the members of FBT Everett Realty LLC in the Commission's December 13, 2013 decision.

### **Building and Site Design**

See transcript pages 37-147

See also presentation materials on the Commission's website

9: 47 a.m. Commissioner McHugh presented his evaluation of the building and site design components of the two Category 1, Region A applicants.

10:40 a.m. Commission took a brief recess.

10:50 a.m. Commissioner McHugh continued his presentation.

12:21 p.m. Commission recessed for lunch.

1:21 p.m. Meeting resumed.

### **Finance**

See transcript pages 147-288

See also presentation materials on the Commission's website

1:21 p.m. Commissioner Zuniga presented his evaluation of the financial components of the two Category 1, Region A applicants.

4:46 p.m. Meeting recessed until Tuesday, September 9, 2014 at 9 a.m. .

### **Call to Order September 9, 2014**

See transcript page 2

9:04 a.m. Commissioner McHugh reconvened the 134th public meeting.

### **Mitigation**

See transcript pages 2-126

See also presentation materials on the Commission's website

9:05 a.m. Commissioner Cameron presented her evaluation of the mitigation components of the two Category 1, Region A applicants.

10:40 a.m. Commission took a brief recess.

10:54 a.m. Meeting resumed.

11:40 a.m. Commission recessed for lunch.

### **Economic Development**

See transcript pages 126-196

See also presentation materials on the Commission's website

12:44 p.m. Commissioner Stebbins presented his evaluation of the economic development components of the two Category 1, Region A applicants.

1:53 p.m. Commission took a brief recess.

2:04 p.m. Meeting resumed.

### **Overview**

See transcript pages 196-231

See also presentation materials on the Commission's website

2:04 p.m. Commissioners presented their assigned questions from the Overview category.

2:47 p.m. Meeting recessed until Wednesday, September 10, 2014 at 10:30 a.m..

### **Call to Order September 10, 2014**

See transcript pages 2-5.

10:40 a.m. Commissioner McHugh reconvened the 134th public meeting.

### **Claims of Material Error**

See transcript pages 5-49

10:43 a.m. The Commission discussed claims of material errors from Monday's presentations.

11:26 a.m. Commission recessed for lunch.

1:07 p.m. Meeting resumed.

1:07 p.m. The Commission discussed claims of material errors from Tuesday's presentations.

1:25 p.m. Commission took a brief recess.

1:30 p.m. Meeting resumed.

### **Deliberation on Conditions**

See transcript pages 49-145

1:30 p.m. Commission deliberated on the conditions.

3:09 p.m. Commission took a brief recess.

3:25 p.m. Meeting resumed.

3:31 p.m. Meeting recessed until Monday, September 15, 2014 at 11 a.m. .

### **Call to Order September 15, 2014**

See transcript pages 2-5

11:02 a.m. Commissioner McHugh reconvened the 134th public meeting.

### **Responses to Conditions**

See transcript pages 5-34

11:06 a.m. Commissioners discussed the applicant's responses to the conditions.

### **Legal Framework**

See transcript pages 34-38

11:48 a.m. General Counsel Blue presented the legal framework for the deliberations.

### **Discussion of the Overview Section**

See transcript pages 38-97

11:52 a.m. Commissioners discuss the overview section and applicant's responses to the conditions.

1:10 p.m. Commission recessed for lunch.

2:15 p.m. Meeting resumed.

### **Discussion on weight of each of the five sections of the application**

See transcript pages 97-114

2:15 p.m. Commissioners discussed each section and its respective weight.

### **General Deliberations**

See transcript pages 114-186

- 2:39 p.m. Commissioners began discussions of the general substance of each section.
- 4:09 p.m. Commission took a brief recess.
- 4:40 p.m. Meeting resumed
- 4:45 p.m. Meeting recessed until Tuesday, September 16, 2014 at 9 a.m..

### **Call to Order September 16, 2014**

See transcript pages 2

- 9:07 a.m. Commissioner McHugh reconvened the 134th public meeting.

### **Presentations by Applicants on Responses to Conditions**

See transcript pages 2-55

- 9:08 a.m. Mohegan Sun Massachusetts presented responses to conditions.
- 9:33 a.m. Wynn MA, LLC presented responses to conditions.

### **Deliberations**

See transcript pages 55-190

- 10:10 a.m. Commission resumed deliberations
- 11:00 a.m. Commission took a brief recess
- 11:15 a.m. Meeting resumed
- 12:25 p.m. Commission recessed for lunch
- 1:30 p.m. Meeting resumed
- 2:24 p.m. *Motion made by Commissioner Zuniga that the Commission consider the Wynn proposal the proposal that better achieves the goals of the legislation and direct staff to enter into an agreement for an award of a license on a date in the future.*  
*Commissioner McHugh offered an amendment to the motion stating that the award to the successful applicant be contingent on their agreement to all of the conditions that the Commission outlined this morning, and an agreement to appear before the Commission tomorrow morning at the time to which the Commission recesses to signify orally and in writing its agreement to those conditions. Amendment to the*



*Motion accepted by Commissioner Zuniga. and moved by Commissioner Cameron.*

*Motion as amended seconded by Commissioner Stebbins.*

*Vote done by roll call:*

*Stebbins: Aye*

*Zuniga: Aye*

*Cameron: Aye*

*McHugh: Nay*

2:36 p.m. Meeting recessed until September 17, 2014 at 9 a.m..

**Call to Order September 17, 2014**

(Commissioner Stebbins participating telephonically)

See transcript pages 2

9:00 a.m. Commissioner McHugh reconvened the 134th public meeting.

9:00 a.m. Commission in recess until 10:00 a.m..

10:00 a.m. Commissioners discussed the objections received from Mohegan Sun Massachusetts.

10:07 a.m. *Motion made by Commissioner Cameron to accept Wynn as the designated licensee due to their acceptance of the conditions. Motion seconded by Commissioner Zuniga.*

*Roll call:*

*Stebbins: Yes*

*Zuniga: Yes*

*Cameron: Yes*

*McHugh: Yes*

10:11 a.m. Formal signing of the Agreement to Award a Category 1 Gaming License in Region A to Wynn MA LLC .

10:13 a.m. *Motion made by Commissioner Cameron to adjourn the 134th meeting. Motion seconded by Commissioner Zuniga.*

*Roll call:*

*Stebbins: Yes*

*Cameron: Yes*

*Zuniga: Yes*

*McHugh: Yes*

**List of Documents and Other Items Used**

1. Massachusetts Gaming Commission September 8-17, 2014 Notice of Meeting and Agenda.

2. Massachusetts Gaming Commission evaluation team presentations.
3. Written Public Comments
4. HLT Advisory Memorandum
5. MGC Scope of Responsibility Report
6. Mohegan Sun's Material Objection Letters
7. Wynn MA's Material Objection Letters
8. Commission's Recommended Conditions to Mohegan Sun
9. Commission's Recommended Conditions to Wynn MA
10. Mohegan Sun's Response to Conditions
11. Wynn MA's Response to Conditions
12. Wynn MA's presentation
13. Objection letter from Mohegan Sun
14. License Conditions

/s/ Catherine Blue  
Catherine Blue  
Assistant Secretary



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## Meeting Minutes

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**Date/Time:** September 25, 2014 – 10:30 a.m.

**Place:** Hynes Convention Center  
900 Boylston Street, Room 200  
Boston, Massachusetts.

**Present:** Chairman Stephen P. Crosby  
Commissioner Gayle Cameron  
Commissioner James F. McHugh  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga

**Call to Order (Commissioner Cameron absent)**

See transcript pages 2-3

10:36 a.m. Chairman Crosby called to order the 135<sup>th</sup> Commission Meeting.

**Approval of the Minutes**

See transcript page 3

10:38 a.m. *Motion made by Commissioner McHugh to approve the minutes of September 4, 2014. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

10:39 a.m. Commissioner Cameron joined the meeting.

**Administration**

See transcript pages 3-82

10:39 a.m. Director Day gave an administrative update.

10:42 a.m. Ed Burke of the High Performance team presented new human resource policies for the Commission's approval.

- 11:23 a.m. *Motion made by Commissioner Cameron that the Commission accept all eleven workplace policies as amended. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*
- 11:24 a.m. CFAO Derek Lennon presented on the financial policy review reports.
- 11:28 a.m. Henry Silvia and Mike Medeiros of Kahn, Litwin, Renza presented on their review of MGC's financial policies and processes.
- 11:44 a.m. Director of Public Relations Elaine Driscoll, Digital Communications Coordinator Mike Sangalang and Director of Workforce Supplier and Diversity Development Jill Griffin presented on the MGC website and links to available employment information.
- 11:51 a.m. Director of Workforce Development Jill Griffin gave an update on Penn National's diversity plans with Lance George, the PE and general manager of Plainridge Park Casino; John Rauen, Vice President of Development at Penn National, and Emil Giordano, project executive, and Allison Stanton of Turner Construction.
- 12:06 p.m. Commission took a recess.
- 12:15 p.m. Meeting Resumed.

### **Racing Division**

See transcript pages 83- 127

- 12:15 p.m. Director of Racing Jennifer Durenberger presented on a request to change the racing schedules for Suffolk Downs and Plainridge Racecourse to reflect the new legislation.
- 12:18 p.m. *Motion made by Commissioner Cameron to approve the Plainridge Racecourse request to conclude the 2014 live race meet on October 22, as well as the Suffolk Downs request to conclude their live race meet on October 4. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*
- 12:19 p.m. Director Durenberger and Director Griffin gave an update on the involvement of the Labor and Workforce Development's Rapid Response team that has been working with the employees from Suffolk Downs.
- 12:24 p.m. General Counsel Blue presented on the potential use and distributions of monies from Racehorse Development Fund to aid the Thoroughbred industry.

- 12:31 p.m. Director Durenberger and General Counsel Blue discussed with the Commission the form of the live racing license applications and the October 1, 2014 deadline.
- 12:58 p.m. General Counsel Blue presented a request for Commission employees to attend the last day of racing at Suffolk Downs on October 4, 2014.
- 12:59 p.m. Commission in recess.
- 1:50 p.m. Meeting resumed.

### **Ombudsman Report**

See transcript pages 127 - 163

- 1:50 p.m. Mike Mathis, President of MGM Springfield, Chuck Irving of Davenport Properties in Boston, and Chris Cignoli, DPW Director for the City of Springfield, presented MGM's monthly report.

### **Legal Division**

See transcript pages 163-165

- 2:25 p.m. General Counsel Blue presented the Amended Small Business Impact Statements and the final version of the regulations for both 205 CMR 134.00 Licensing and 205 CMR 137.00 Gaming Schools.
- 2:27 p.m. *Motion made by Commissioner Stebbins to approve the Amended Small Business Impact Statements and the associated regulations. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

### **Research and Problem Gaming**

See transcript pages 165-190

- 2:28 p.m. Director of Problem Gambling Mark Vander Linden presented the responsible gaming framework recommendations.
- 2:58 p.m. *Motion made by Commissioner Zuniga to approve the responsible gaming framework as presented and discussed. Motion seconded by Commissioner McHugh. Motion passed unanimously.*
- 3:00 p.m. *Motion made by Commissioner McHugh to adjourn the meeting. Motion passed unanimously.*

## **List of Documents and Other Items Used**

1. Massachusetts Gaming Commission September 25, 2014 Notice of Meeting and Agenda
2. Massachusetts Gaming Commission September 4, 2014 meeting minutes
3. Massachusetts Gaming Commission Employee Handbook Master List with Attachments
4. Biographies of KLR Consultants Henry Silva and Michael Medeiros
5. Massachusetts Gaming Commission Control Narratives for Budgetary Controls
6. Massachusetts Gaming Commission Control Narratives for Payroll and Personnel
7. Massachusetts Gaming Commission Control Narratives for Revenue Receipts and Reconciliation
8. Massachusetts Gaming Commission Control Narratives for Contracting and Contract
9. Massachusetts Gaming Commission Control Narratives for Invoice Receipt and Payments
10. Massachusetts Gaming Commission screenshot of webpage
11. Penn National Gaming Diversity Graphs (Workforce, Design and Construction Supplier Diversity)
12. Massachusetts Gaming Commission September 25, 2014 Memorandum regarding Chapter 311 of the Acts of 2014 with attachments
13. Amended Small Business Impact Statements
14. 205 CMR 134
15. 205 CMR 137
16. Responsible Gaming Framework
17. MGM Project Overview spreadsheets.

/s/ Catherine Blue  
Catherine Blue  
Assistant Secretary



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## Meeting Minutes

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**Date/Time:** October 9, 2014 – 10:30 a.m.

**Place:** Boston Convention and Exhibition Center  
415 Summer Street, Room 160B  
Boston, Massachusetts.

**Present:** Chairman Stephen P. Crosby (Recused from Region A land use matters)  
Commissioner Gayle Cameron  
Commissioner James F. McHugh  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga

### **Call to Order**

(Chairman Crosby recused from Region A land use matters)

See transcript page 2

10:35 a.m. Commissioner McHugh called to order the 136<sup>th</sup> Commission Meeting.

### **Region A- Investigations and Enforcement Bureau Update**

See transcript pages 2- 24

10:36 a.m. Director Wells and Lieutenant Connors gave an update on the suitability status of Wynn MA and IEB's investigations regarding the land deal.

10:58 a.m. Commission took a brief recess.

11:10 a.m. Meeting resumed

### **Approval of the Minutes**

See transcript page 24-25

11:10 a.m. The approval of the minutes is postponed until the following public meeting.

## **Workforce, Supplier and Diversity Development**

See transcript pages 25-75

- 11:11 a.m. Director Jill Griffin, Business Manager Liz Skidmore with New England Regional Counsel of Carpenters and Susan Moir, Director of UMass Boston Labor Resource Center presented on best practices to increase diversity in construction.
- 12:05 p.m. Commission recessed for lunch.
- 12:46 p.m. Meeting resumed.

## **Administration**

See transcript pages 75-108

- 12:46 p.m. Director Day gave an administrative update.
- 12:48 p.m. CFAO Derek Lennon presented on the FY14 budget close out and the FY15 budget quarterly update
- 1:17 p.m. *Motion made by Commissioner Zuniga for the Commission to approve the requested budget amendments to the fiscal year 2015 budget. Motion seconded by Commissioner McHugh. Motion passed unanimously.*

## **Racing Division**

See transcript pages 108- 133

- 1:18 p.m. Director of Racing Jennifer Durenberger presented an update on the conclusion of the Suffolk Downs 2014 racing meet and presented an update on the applications received for live racing for 2015.
- 1:39 p.m. Commission took a brief recess.
- 1:43 p.m. Meeting resumed

## **Legal Division**

See transcript pages 134-175

- 1:43 p.m. General Counsel Blue, Deputy General Counsel Lillios and Grossman, and Assistant Director of the IEB Bruce Band presented on the new proposed regulations.
- 2:36 p.m. *Motion made by Commissioner McHugh to adjourn the meeting. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*



### **List of Documents and Other Items Used**

1. Massachusetts Gaming Commission October 9, 2014 Notice of Meeting and Agenda
2. Workforce Development and Diversity presentation
3. Massachusetts Gaming Commission Memorandum Re: Fiscal Year 2014 Closeout and Fiscal Year 2015 Quarterly Update and related Budget spreadsheets
4. Massachusetts Gaming Commission Memorandum Re: Live Racing Applications for 2015
5. 205 CMR 129 Draft Regulations
6. 205 CMR 134 Draft Regulations
7. 205 CMR 101 Draft Regulations
8. 205 CMR 138 Draft Regulations

/s/ Catherine Blue  
Catherine Blue  
Assistant Secretary

**No Documents**



**PENN NATIONAL  
GAMING, INC.**



**Monitoring of  
Project Construction  
and  
Licensee Requirements  
205 CMR 135**

**Quarterly Report  
as of  
September 30, 2014**





## Monitoring of Project Construction and Licensee Requirements Quarterly Report as of 9-30-14

# Table of Contents

<b>Project Schedules and Reporting</b>	<b>205 CMR 135.2 Reference</b>	<b>Appendix Reference</b>
Updated Guidelines .....	1 .....	1
Project Schedule .....	2(a)(c).....	2
Affirmative Action Program .....	3 .....	3
Project Schedule Changes (if applicable) .....	4 .....	4
Quarterly Status Report		
Cost of Construction .....	5(a) .....	5
Capitalization of Gaming License .....	5(b) .....	5
Design & Construction Contracts .....	5(c) .....	6
Status of Work Completed .....	5(d) .....	7
Work Force Statistics .....	5(e) .....	8
Minority Contracts .....	5(f) .....	9
Permits .....	6 .....	10
Organized Labor Letter .....	7 .....	11
Operational Affirmative Action Plan.....	8 .....	12

## APPENDIX 1

### Plainridge Park Casino Quarterly Report to MGC Updated Guidelines As of September 30, 2014

#### Reference 205 CMR 135.02 – (1)

Updates received during the period ending September 30, 2014 are as follows:

- 205 CMR 143: Gaming Devices and Electronic Gaming Equipment
- 205 CMR 144: Approval of Slot Machines and Electronic Gaming Equipment and Testing Laboratories
- 205 CMR 145: Possession of Slot Machines

Received draft / comment period open for the following:

- 205 CMR 138: Uniform Standards of Accounting Procedures and Internal Controls

## APPENDIX 2

### Plainridge Park Casino Quarterly Report to MGC Project Schedule As of September 30, 2014

Reference 205 CMR 135.02 – (2)(a)(c)

#### Construction Activities

- Project schedule (two pages attached) was approved by MGC during meeting of July 10, 2014. Project is still on track for June 2015 completion.
- Current construction progress schedule update included in Appendix 4.

#### Non-Construction Activities

- Attached hereto is a current status update of the Plainridge Park Casino Non-Construction Activities Project Schedule – External Interfaces report.





**PENN NATIONAL  
GAMING, INC.**

PLAINRIDGE PARK CASINO NON-CONSTRUCTION ACTIVITY PROJECT SCHEDULE  
EXTERNAL INTERFACES

Activity ID	Activity Name	Rem. Dur.	%	Start	Finish	Total Float
<b>Plainridge Park Casino Project Schedule - DD-05.16.14</b>		584		03-Mar-14 A	12-Sep-16	0
<b>Non-Construction Activity Schedule (Activities)</b>		584		03-Mar-14 A	12-Sep-16	0
<b>SG&amp;R Procurement</b>		395		03-Mar-14 A	10-Dec-15	189
PPC-NON/CONSTR-0020	SG&R - Provide Plans For Contracting With Local Business Owners (Statute Check List # 8)	11	0%	03-Mar-14 A	02-Jun-14	573
PPC-NON/CONSTR-0310	SG&R - Slot Machine Procurement & Manufacturing	102	0%	01-Oct-14*	27-Feb-15	0
PPC-NON/CONSTR-0410	SG&R - Slot Machine Delivery & Installation	41	0%	01-Apr-15*	29-May-15	0
PPC-NON/CONSTR-0040	SG&R - Design & Construct To LEED Gold Certification	0	0%		03-Jul-15	189
PPC-NON/CONSTR-0050	SG&R - Apply To USGBC For LEED Gold Certification	30	0%	06-Jul-15	14-Aug-15	189
PPC-NON/CONSTR-0030	SG&R - Provide LEED Certification To MGC (Statute Check-List # 12)	80	0%	17-Aug-15	10-Dec-15	189
<b>Hosting &amp; Surroundings Communities</b>		584		03-Mar-14 A	12-Sep-16	0
PPC-NON/CONSTR-0080	SG&R - Identify Infrastructure Costs + Commit To Mitigation Plan (Statute C.L. # 23)	83	0%	03-Mar-14 A	12-Sep-14	196
PPC-NON/CONSTR-0090	SG&R - Implement Measures To Address Problem Gaming (Statute C.L. # 23)	251	0%	03-Mar-14 A	15-May-15	333
PPC-NON/CONSTR-0100	SG&R - Conduct Baseline Studies (License # 9 Other)	63	0%	02-Mar-15*	29-May-15	0
PPC-NON/CONSTR-0110	SG&R - Traffic Related Baseline Studies (RFA # 2)	63	0%	02-Mar-15	29-May-15	324
PPC-NON/CONSTR-0120	SG&R - Conduct Job/airs (SCA Foxboro, Mansfield, North Attleboro, Wrentham)	409	0%	03-Mar-14 A	31-Dec-15	175
PPC-NON/CONSTR-0370	SG&R - Monitor & Assess Initial Impacts To Community (Starting Post Opening Day)	254	0%	06-Jul-15	08-Jul-16	0
PPC-NON/CONSTR-0380	SG&R - Prepare Initial Reports On Post Opening Monitoring	45	0%	11-Jul-16	12-Sep-16	0
<b>Regulatory Approvals</b>		260		03-Mar-14 A	29-May-15	324
PPC-NON/CONSTR-0350	MGC - Approve Mass. Community College Training Plans (License # 12)	0	0%		15-Jul-14*	0
PPC-NON/CONSTR-0150	MGC - Finalize & Approve Gaming Office Requirements (RFA # 2)	51	0%	19-Jun-14*	29-Aug-14	0
PPC-NON/CONSTR-0260	SG&R - Submit Exterior Design Plans For MGC Approval (FDC # 9)	34	0%	15-Jul-14*	29-Aug-14	0
PPC-NON/CONSTR-0270	SG&R - Submit Floor Plan For MGC Approval (FDC # 9)	34	0%	15-Jul-14*	29-Aug-14	0
PPC-NON/CONSTR-0400	SG&R - Submit Required Approvals List & MGC Approval (Summary Item # 25)	33	0%	16-Jul-14*	29-Aug-14	0
PPC-NON/CONSTR-0170	MGC - Develop & Issue Surveillance System Specifications	88	0%	03-Mar-14 A	19-Sep-14	458
PPC-NON/CONSTR-0240	MGC - Issue Free Play Standards (License # 26)	65	0%	19-Jun-14*	19-Sep-14	0
PPC-NON/CONSTR-0290	MGC - Issue State Slot Monitoring System Requirements	65	0%	19-Jun-14*	19-Sep-14	0
PPC-NON/CONSTR-0010	MGC - Provide Regulation / Full Descriptions Of Internal Controls (Statute Check-List # 4)	95	0%	03-Mar-14 A	30-Sep-14	406
PPC-NON/CONSTR-0280	MGC - Approve Slot Machine Requirements	64	0%	01-Jul-14*	30-Sep-14	0
PPC-NON/CONSTR-0320	MGC - License Slot Machine Vendors	64	0%	01-Jul-14*	30-Sep-14	0
PPC-NON/CONSTR-0200	SG&R - Submit Slot Monitoring System For MGC Approval	20	0%	19-Sep-14*	17-Oct-14	0
PPC-NON/CONSTR-0180	SG&R - Submit Surveillance System Plan For MGC Approval (RFA C.L. # 5 & 6)	38	0%	22-Sep-14	14-Nov-14	458
PPC-NON/CONSTR-0060	SG&R - File & Submit Internal Controls To MGC	51	0%	01-Oct-14	15-Dec-14	406
PPC-NON/CONSTR-0160	MGC - Approve Internal Controls	32	0%	16-Dec-14	30-Jan-15	406
PPC-NON/CONSTR-0220	SG&R - Submit Slot Machine Testing Program For MGC Approval	22	0%	15-Jan-15*	13-Feb-15	0
PPC-NON/CONSTR-0390	SG&R - Submit "12.15.14" Bank Secrecy Act Plan To MGC For Approval "02.27.15"	52	0%	15-Dec-14*	27-Feb-15	0
PPC-NON/CONSTR-0140	MGC - Develop & Provide On Site Requirements For Inspection For Pre-Opening Activities (RF...	22	0%	02-Mar-15*	31-Mar-15	0
PPC-NON/CONSTR-0070	SG&R - Submit Responsible Gaming Plan & MGC Approval (FDC # 20)	251	0%	03-Mar-14 A	15-May-15	333
PPC-NON/CONSTR-0130	MGC - Develop & Provide Process & Road Map Requirements For On-Site Operating License I...	260	6.81%	03-Mar-14 A	29-May-15	324
PPC-NON/CONSTR-0190	MGC - On-Site Review & Approval Process Of Surveillance System	54	0%	13-Mar-15*	29-May-15	0
PPC-NON/CONSTR-0230	MGC - Test & Approve Slot Monitoring System	41	0%	01-Apr-15*	29-May-15	0
<b>Other Requirements</b>		130		17-Oct-14	27-Apr-15	0
PPC-NON/CONSTR-0330	SG&R - Execute Amended Lottery Agreement (License # 10)	0	0%		17-Oct-14*	0
PPC-NON/CONSTR-0340	SG&R - Submit Plan Regarding Mass. Office Of Travel & Tourism (License #23)	0	0%		13-Feb-15*	0
PPC-NON/CONSTR-0360	SG&R - Apply For Or Amend Existing & Obtain Alcoholic Beverage License	70	0%	16-Jan-15*	27-Apr-15	0



## Plainridge Park Casino Non-Construction Activity Project Schedule Status Update Report as of September 30, 2014

Responsibility Activities		Start	Finish	Status
<b>SG&amp;R Procurement</b>				
SG&R	Provide Plans For Contracting With Local Business Owners (Statute Check-List #8)	3-Mar-14	2-Jun-14	Complete
SG&R	Provide Names Of All Proposed Vendors Of Gaming Equipment	16-Sep-14	22-Sep-14	Complete
SG&R	Surveillance Installation	17-Nov-14	8-Dec-14	
SG&R	Slot Machine Procurement & Manufacturing	4-Nov-14	1-Apr-15	
SG&R	Slot Machine Delivery & Installation	24-Apr-15	12-Jun-15	
SG&R	Design & Construct to LEED Gold Certification		26-Jun-15	In Progress
SG&R	Apply To USGBC For LEED Gold Certification	29-Jun-15	7-Aug-15	
SG&R	Provide LEED Certification To MGC (Statute Check-List #12)	10-Aug-15	2-Feb-16	
<b>Hosting &amp; Surround Communities</b>				
SG&R	Identify Infrastructure Costs + Commit to Mitigation Plan (Statute C.L. #23)	3-Mar-14	10-Oct-14	
SG&R	Implement Measures To Address Problem Gaming (Statute C.L. #23)	3-Mar-14	15-May-15	
SG&R	Conduct Baseline Studies (License #9 Other)	27-Mar-15	25-Jun-15	
SG&R	Traffic Related Baseline Studies (RFA #2)	27-Mar-15	25-Jun-15	
SG&R	Conduct Jobfairs (SCA Foxboro, Mansfield, North Attleboro, Wrentham)	3-Mar-14	31-Dec-15	
SG&R	Monitor & Assess Initial Impacts To Community (Starting Post Opening Day)	29-Jun-15	30-Jun-16	
SG&R	Prepare Initial Reports On Post Opening Monitoring	1-Jul-16	2-Sep-16	
<b>Regulatory Approvals</b>				
MGC	Approve Mass Community College Training Plans (License #12)	3-Mar-14	15-Jul-14	Complete
SG&R	Submit Exterior Design Plans For MGC Approval (FDC #9)	28-May-14	18-Jul-14	Complete
MGC	Finalize & Approve Gaming Office Requirements (RFA #2)	3-Mar-14	7-Aug-14	Complete
SG&R	Submit Floor Plan For MGC Approval (FDC #9)	1-Jul-14	7-Aug-14	Submitted / In Progress
SG&R	Submit Required Approvals List & MGC Approval (Summary Item #25)	3-Mar-14	29-Aug-14	Complete
MGC	Develop & Issue Surveillance System Specifications	3-Mar-14	19-Sep-14	In Progress
MGC	Issue Free Plan Standards (License #26)	20-Jun-14	19-Sep-14	In Progress
MGC	Issue State Slot Monitoring System Requirements	20-Jun-14	19-Sep-14	In Progress
MGC	Provide Regulation / Full Descriptions Of Internal Controls (Statute Check List #4)	14-Mar-14	30-Sep-14	In Progress
MGC	Approve Slot Machine Requirements	1-Jul-14	30-Sep-14	Complete
MGC	License Slot Machine Vendors	1-Jul-14	30-Sep-14	In Progress
SG&R	Submit Slot Monitoring System For MGC Approval	22-Sep-14	3-Nov-14	
SG&R	Submit Surveillance System Plan For MGC Approval (RFA C.L. #5&6)	22-Sep-14	14-Nov-14	
SG&R	File & Submit Internal Controls To MGC	1-Oct-14	15-Dec-14	
SG&R	Submit "12.15.14" Bank Secrecy Act Plan To MGC For Approval "02.27.15"	15-Dec-14	30-Jan-15	
MGC	Approval Internal Controls	16-Dec-14	30-Jan-15	
SG&R	Submit Slot Machine Testing Program For MGC Approval	15-Jan-15	13-Feb-15	
MGC	Develop & Provide On Site Requirements For Inspection For Pre-Opening Activities (RFA #2)	15-Mar-15	31-Mar-15	
SG&R	Submit Responsible Gaming Plan & MGC Approval (FDC #20)	3-Mar-14	15-Mar-15	
MGC	Develop & Provide Process & Road Map Requirements For On-Site Operating License Issuance	3-Mar-14	29-May-15	
MGC	On-Site Review & Approval Process Of Surveillance System	13-Mar-15	29-May-15	
MGC	Test & Approve Slot Monitoring System	1-Apr-15	29-May-15	
MGC	Final MGC Release On All License Activities	16-Sep-16	16-Sep-16	
<b>Other Requirements</b>				
SG&R	Submit Plan For Regional Tourism	30-Mar-14	30-Apr-14	Complete
SG&R	Submit Affirmative Marketing Program For Design & Construction And On-Site Workforce	28-Mar-14	26-Jun-14	Complete
SG&R	Submit Plan To Work With MA DOL On Employment Opportunities	28-May-14	7-Aug-14	Complete
SG&R	Submit Affirmative Marketing Plan For Businesses Providing Goods & Services	28-May-14	7-Aug-14	Complete
SG&R	Execute Amended Lottery Agreement (License #10)		17-Oct-14	In Progress
SG&R	Submit Plan Regarding Mass. Office Of Travel & Tourism (License #23)		13-Feb-15	
SG&R	Apply For Or Amend Existing & Obtain Alcoholic Beverage License	16-Jan-15	27-Apr-15	

## **APPENDIX 3**

### **Plainridge Park Casino Quarterly Report to MGC Affirmative Action Program Design & Construction As of September 30, 2014**

#### **Reference 205 CMR 135.02 – (3)**

Diversity Plan for the Design and Construction Phase of Plainridge Park Casino previously approved during MGC meeting held May 15, 2014 and project remains in compliance with said plan.

Specifics of said progress is addressed in the following Appendix 8 and Appendix 9 of this quarterly report.

## **APPENDIX 4**

### **Plainridge Park Casino Quarterly Report to MGC Project Schedule Changes As of September 30, 2014**

#### **Reference 205 CMR 135.02 – (4)**

No circumstances have arisen that would necessitate a major change to the project schedule or impact the completion date of June 2015.

In addition to SGR and Turner Construction monitoring the schedule, on a monthly basis, Turner Construction provides MGC consultants the current project schedule for construction and non-construction activities.

Attached hereto is a report of aerial photos taken as of September 22, 2014 and various project photos taken as of October 10, 2014.



**PENN NATIONAL**  
GAMING, INC.



**Turner**

PLAINRIDGE PARK CASINO - PROJECT PHOTOS

Aerial Photos Taken as of 9/22/14



## Various Project Photos Taken as of 10/10/14

INSTALLATION OF RTU CURBS



LEDGE REMOVAL FOR UTILITY INSTALLATION



EXCAVATION FOR FOOTINGS AT STAIR 9



INSTALLATION WALL BLOCKING FOR SIGNAGE



DETAILING OF AVB AT EXTERIOR WINDOWS



INSTALLATION OF AVB ON EXTERIOR WALLS



INSTALLATION OF EXERIOR GLAZING AT GARAGE



BACKFILLING AT STAIR 9 FOOTINGS



INSTALLATION OF RTU CURBS ON EAST LEAN TO



INTERIOR DEMOLITION ON 1<sup>ST</sup> FLOOR OF SIMULCAST BUILDING



## **APPENDIX 5**

**Plainridge Park Casino  
Quarterly Report to MGC  
Cost of Construction and Capitalization of Gaming Licensee  
As of September 30, 2014**

**Reference 205 CMR 135.02 – (5)(a)(b)**

Certification letter attached.



**PENN NATIONAL**  
GAMING, INC.

October 17, 2014

Massachusetts Gaming Commission  
84 State Street, 10<sup>th</sup> Floor  
Boston, MA 02109

RE: Quarterly Report

Dear Commissioners:

In accordance with 205 CMR 135.02(5)(a) of the Massachusetts Gaming Commission Monitoring of Project Construction and Licensee Requirements (the “Monitoring Regulations”), please see below for the total estimated costs of construction and related infrastructure improvements relating to the development of the Plainridge Park Casino in Plainridge, Massachusetts (the “Facility”), and related costs incurred through September 30, 2014 which have been calculated in accordance with 205 CMR 122.03: Costs Included in the Calculation of Capital Investment.

	<b>Cost Incurred as of 9/30/14</b>	<b>Estimated Remaining Cost</b>	<b>Total Estimated Cost</b>
Building/Construction <sup>1</sup>	\$ 40,618,284	\$ 89,470,716	\$ 130,089,000
Land	\$ 18,980,513	\$ -	\$ 18,980,513
Other Acquisition Costs	\$ 2,084,648	\$ -	\$ 2,084,648
License/Application Fees	\$ 25,000,000	\$ -	\$ 25,000,000
Gaming and Operations Equipment	\$ 146,826	\$ 20,046,013	\$ 20,192,839
Design	\$ 4,090,168	\$ 3,062,832	\$ 7,153,000
Preopening Expenses	\$ -	\$ 7,000,000	\$ 7,000,000
Cage Cash	\$ -	\$ 7,000,000	\$ 7,000,000
Capitalized Interest	\$ 159,737	\$ 3,340,263	\$ 3,500,000
Off-Site Improvements	\$ -	\$ 4,000,000	\$ 4,000,000
<b>Total</b>	<b>\$ 91,080,176</b>	<b>\$ 133,919,824</b>	<b>\$ 225,000,000</b>

In addition, in accordance with 205 CMR 135.02(b) of the Monitoring Regulations, I direct you to the publicly-filed financial statements of Penn National Gaming, Inc. (“Penn”), the parent of

<sup>1</sup> Includes site preparation.



Springfield Gaming and Redevelopment, LLC (the "Applicant"), including Penn's Annual Report on Form 10-K for the year ended December 31, 2013, filed with the Securities and Exchange Commission (the "SEC") on February 27, 2014, and Penn's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014, filed with the SEC on August 1, 2014, each of which are available at [www.sec.gov](http://www.sec.gov). As reflected in these financial statements, the Applicant has sufficient financial resources in order to meet all expected financial obligations relating to the completion of the gaming establishment and related infrastructure improvements associated with the Facility.

I, Saul V. Reibstein, hereby certify, to my knowledge and in my capacity as Chief Financial Officer of Penn National Gaming, Inc., as to the material veracity of the foregoing.

Very truly yours,



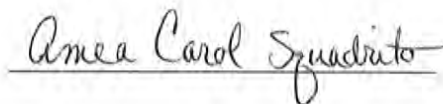
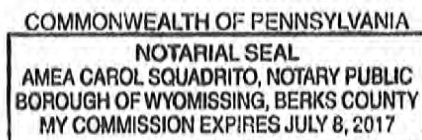
Saul V. Reibstein  
Chief Financial Officer

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF BERKS

On this 16<sup>th</sup> day of October, 2014, before me, the undersigned officer, personally appeared Saul V. Reibstein, who acknowledged himself to be the Chief Financial Officer of Penn National Gaming, Inc., a Pennsylvania corporation, and that he, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of such company by himself as the authorized officer.

IN WITNESS WHEREOF, I have hereunder set my hand and Notarial Seal.



**Plainridge Park Casino  
Quarterly Report to MGC  
Design and Construction Contracts  
As of September 30, 2014**

**Reference 205 CMR 135.02(5)(c)**

LIST OF DESIGN AND CONSTRUCTION CONTRACTS ISSUED QUARTER ENDING SEPTEMBER 30, 2014			
<u>Vendor/Contractor</u>	<u>Date</u>	<u>Services</u>	<u>MGC Status</u>
Northeast Geotechnical, Inc.	05/01/14	Geotechnical Consulting Services	NGV – Registrant
Control Point Technology	07/23/14	Consulting (Design Services for Audio/Visual)	

Copies of contracts are available at the construction site for review purposes.

## APPENDIX 7

### Plainridge Park Casino Quarterly Report to MGC Status Report of Construction Activities As of September 30, 2014

Reference 205 CMR 135.02 – (5)(d)

#### Status Report Reflecting Progress of Construction

- Significant construction activities to date are in line with approved schedule (see Appendix 2) and include:
  - Project interior design drawings completed and sent out for bid
  - Casino building foundations completed
  - Procurement of long lead mechanical and electrical equipment complete
    - Generators on site
    - RTUs schedule for install in October
  - Procurement and erection of casino building/structural steel completed
  - Site work / underground utilities / parking lot construction proceeding as scheduled
  - Exterior Envelope / Building Tight in progress; slated to be completed early November
  - Resumption of parking garage construction. Garage permit has been transferred to Turner
  - Commenced with construction of office spaces on ground level of garage
  - Renovations have begun in existing simulcast building
  - Received MASSDot Section 61 approval to proceed with work mid-November

#### Areas of non-compliance with approved schedule

- None

#### Certification Statement

I certify that construction activities through September 30, 2014, are in compliance with the project schedule approved by MGC on July 10, 2014.



John R. Rau  
Authorized Representative  
Springfield Gaming and Redevelopment, LLC

## APPENDIX 8

### Plainridge Park Casino Quarterly Report to MGC Project Construction Work Force As of September 30, 2014

Reference 205 CMR 135.02 – (5)(e)

**Third quarter has seen improvement in both WBE and MBE**

Minority	17% participation to date vs. goal of 16%
Female	4% participation to date vs. goal of 7%
Veteran	11% participation to date vs. aspirational goal of 3%

**Detailed statistical reports attached:**

- Subcontractors Workforce Percentages
- Weekly Hours and Percentages
- Workers Onsite by Company Log
- Total Weekly Manpower Chart

**Deviation from established goals:**

Female            4% participation to date vs. goal of 7%

- Turner continues to hold corrective action meetings with subcontractors in noncompliance.
- Improvement noted since last quarterly report
  - Female improvements from 3% to 4%
- Licensee and Turner will continue to monitor work force participation and established goals

## SUBCONTRACTORS WORKFORCE PERCENTAGES ~ Plainridge Park Casino

WEEK ENDING	SUBCONTRACTOR	THIS WEEKS HOURS	LAST WEEKS HOURS	Y-T-D JOB HOURS	Minority Y-T-D HOURS	LAST WEEK Minority %	THIS WEEK Minority %	Minority YEAR TO DATE %	Female Y-T-D HOURS	LAST WEEK Female %	THIS WEEK Female %	Female YEAR TO DATE %	Veteran Y-T-D HOURS	LAST WEEK Veteran %	THIS WEEK Veteran %	Veteran YEAR TO DATE %
9/28/2014	Turner Construction	247.0	202.0	5,326.0	1,364	26	21	26	779.0	20	16	15	0.0	0	0	0
9/28/2014	Marois Brothers	562.5	618.5	13,186.5	1,360	13	16	10	132.0	0	0	1	1,839.0	11	9	14
9/28/2014	S&F Concrete	184.0	200.5	5,111.5	490	0	5	10	0.0	0	0	0	0.0	0	0	0
9/28/2014	NB Kenney	0.0	220.0	2,954.0	0	0	0	0	0.0	0	0	0	578.0	18	0	20
9/28/2014	Prime Steel	466.0	425.0	2,959.5	536	23	21	18	286.0	11	11	10	168.5	0	0	6
9/28/2014	Ostrow Electrical	784.0	818.0	7,352.0	857	15	9	12	436.0	11	10	6	2,075.0	15	26	28
9/28/2014	Melo's Rodbusters	0.0	64.0	1,156.0	130	16	0	11	309.0	0	0	27	0.0	0	0	0
9/28/2014	Costa Brothers	221.0	145.0	1,905.5	282	28	4	15	0.0	0	0	0	493.5	17	18	26
9/28/2014	Willow Tree	0.0	72.0	200.0	72	33	0	36	0.0	0	0	0	0.0	0	0	0
9/28/2014	Modern Glass	43.5	192.0	372.0	0	0	0	0	0.0	0	0	0	0.0	0	0	0
9/28/2014	Chapman Waterproofing	68.0	72.0	1,834.5	666	33	0	36	30.0	0	44	2	252.0	0	0	14
9/28/2014	TJ McCartney	619.0	513.5	3,516.5	873	23	26	25	0.0	0	0	0	338.0	8	5	10
9/28/2014	Pro Cut	8.0	0.0	108.0	0	0	0	0	0.0	0	0	0	0.0	0	0	0
9/28/2014	RM Technologies	144.0	16.0	1,207.0	681	50	50	56	0.0	0	0	0	35.0	0	0	3
9/28/2014	Arden Engineering	210.5	187.0	919.0	0	0	0	0	0.0	0	0	0	56.0	20	19	6
9/28/2014	Island International	340.0	252.0	1,402.0	20	0	6	1	0.0	0	0	0	299.0	16	17	21
9/28/2014	Clifford & Galvin	0.0	0.0	253.0	101	0	0	40	0.0	0	0	0	0.0	0	0	0
9/28/2014	Ryan Iron	190.0	162.0	730.0	177	0	0	24	0.0	0	0	0	0.0	0	0	0
9/28/2014	Titan Roofing	153.0	328.0	1,167.0	155	0	0	13	0.0	0	0	0	102.0	0	0	9
9/28/2014	DDS Industries	152.0	124.0	279.5	0	0	0	0	0.0	0	0	0	71.5	0	0	26
9/28/2014	Hallamore Corp	0.0	0.0	227.8	9	0	0	4	0.0	0	0	0	32.0	0	0	14
	<b>TOTALS</b>	<b>4,392.5</b>	<b>4,611.5</b>	<b>60,225.3</b>	<b>9,989.9</b>	<b>14</b>	<b>15</b>	<b>17</b>	<b>2,443.0</b>	<b>4.0</b>	<b>5</b>	<b>4</b>	<b>6,339.5</b>	<b>9.0</b>	<b>11</b>	<b>11</b>

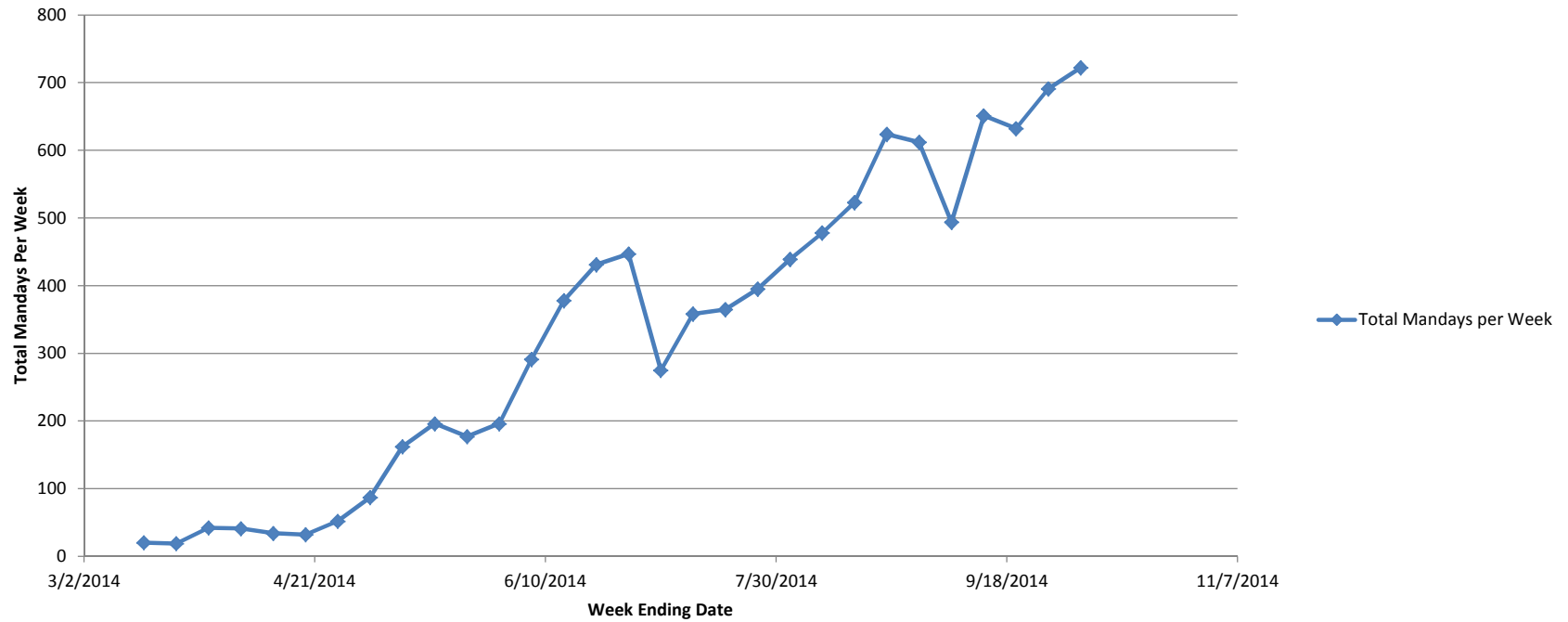
	<u>Project Goals</u>	<u>Year To Date</u>
Minority	16%	17 %
Female	7%	4 %
Veteran	*Aspirational 3%	11 %

**Plainridge Park Casino**

Cumulative Individuals on site for the period of July 1 - Sept 30

<b>Company</b>	<b>Number of Workers</b>
Aaxiom	3
Arden	7
Atlantic	1
Baldwin	2
Briggs	3
Bristol Fire	1
Chapman	17
Clifford & Galvin	3
Coghlin	8
Commonwealth Scaffold	9
Cook Landclearing	2
Cosco Inc.	8
Costa	14
Cox	8
Currie	1
DDS	6
Don Martin	11
Hallamore	3
Haron	1
Heritage	2
Imperatore	3
Island	5
JCJ Arch.	2
JME	1
Johnson Insul	1
King	18
Kone	4
MBI	27
MD Drilling	10
Melo Rod	12
Modern Glass	19
MTK Const.	4
NBK	23
Ostrow	22
Penn Game	2
Perry Assoc.	1
Pinck	1
Prime	18
Pro Cut	4
Richard Reed Electric	1
RM Tech	14
Ryan Iron	6
S&F Concrete	67
Security Fence	6
Soini	5
Steelco	2
Tilton	4
Titan	25
TJ McCartney	40
Turner	36
Waterman	1
Willow Tree	3
<b>Total</b>	<b>497</b>

## Plainridge Park Casino Total Weekly Manpower



The Total Mandays per Week is the sum of the total number of days worked by each worker in a given week.

## APPENDIX 9

### Plainridge Park Casino Quarterly Report to MGC Contracts and Payments to Minority, Women and Veteran Business Enterprises for Construction Phase As of September 30, 2014

Reference 205 CMR 135.02 – (5)(f)

**Detailed statistical reports attached:**

M/W/VBE Tracking Report updated through 9/30/14

- Turner has issued \$56.6 million in construction subcontracts and received commitments of the following M/W/VBE participation:

Minority	14% participation to date vs. goal of 4%
Female	17% participation to date vs. goal of 7%
Veteran	14% participation to date vs. aspirational goal of 3%

**Actual Payments to Minority Business Enterprises**

- As of September 30, 2014, commitments totaling \$25,059,747 have been made to MBE/WBE/VBE enterprises.
- At this time, Turner is only able to verify payments made to prime MBE/WBE/VBE subcontracts.
- Through September 30, 2014, payments to MBE/WBE/VBE amounted to \$2,883,379.
- Turner is currently implementing a process to receive lien waivers to verify actual payments made to lower tier subcontractors.



TURNER CONSTRUCTION COMPANY  
 Plainridge Casino  
 M/W/VBE TRACKING FOR QUARTERLY REPORT

updated: 9/30/2014

Trade	Contract Award Date	Award Amount	Awarded Prime Subcontractor	MBE / WBE / VBE Opportunity	Updated At award						Updated Prior to start and during construction					
					Original Commitment						Payments to Date					
					MBE	%	WBE	%	VBE	%	MBE	%	WBE	%	VBE	%
Existing Conditions Demo and Structure lower tier	05/16/14		Turner	None												
Temp Stair lower tier	05/16/14		Commonwealth	None												
Earthwork lower tier	04/11/14		Marois	Don Martin Corporation FC Corporation Security Fence Company Willow Tree Outdoor Markings, Inc.												
Earthwork - Garage lower tier	05/12/14		Marois	None												
Concrete- Casino lower tier	04/04/14		S&F	S&F Rebars and Mesh Melo's Rod Busters												
Concrete - Garage lower tier	05/12/14		S&F	S&F Rebars and Mesh Melo's Rod Busters												
Precast Garage	07/09/14		Blakeslee Prestress													
Demolition Award	07/16/14		R M Technologies	R M Technologies												
Masonry lower tier	06/10/14		Costa Brothers Masonry	Costa Brothers Masonry												
Steel Framing lower tier	04/11/14		Industries Canatal	Erection and Welding												
Misc Metal lower tier	07/09/14		Ryan Iron Works													
Architectural Woodwork lower tier																
Damproofing & Waterproofing lower tier	06/19/14		Chapman	Gilbert & Becker Villanova												
Membrane Roofing lower tier	05/16/14		Titan Roofing	Titan Roofing												
Spray on Fireproofing and Garage Spray Insulation lower tier	07/24/14		Island International	Iroquois Bar Corp												
Spray Foam lower tier	06/17/14		Island International	Iroquois Bar Corp												
Doors & Frames lower tier	09/10/14		Eaton Door and Frame													
Entrances Storefronts & Curtainwall lower tier	06/17/14		Modern Glass	Material Hardware												
Plaster & Gypsum Board lower tier	06/10/14		TJ McCartney	TJ McCartney												

TURNER CONSTRUCTION COMPANY  
 Plainridge Casino  
 M/W/VBE TRACKING FOR QUARTERLY REPORT

updated: 9/30/2014

Trade	Contract Award Date	Award Amount	Awarded Prime Subcontractor	MBE / WBE / VBE Opportunity	Updated At award						Updated Prior to start and during construction					
					Original Commitment						Payments to Date					
					MBE	%	WBE	%	VBE	%	MBE	%	WBE	%	VBE	%
Tiling lower tier																
Ceilings lower tier																
Flooring lower tier																
Finishes lower tier																
Paint lower tier																
Photovoltaic Solar Generation Award lower tier	09/21/14		E.S. Boulos of Westbrook	Certified Connections Inc.												
Specialties lower tier																
Pre-Engineered Metal Building lower tier	04/11/14		Currie Building Systems	None												
Elevators lower tier																
Elevators - Garage lower tier	05/16/14		Kone	None												
Fire Protection- Garage lower tier	06/05/14		Arden Engineering	E.L. Waterman												
Temp Fire Protection lower tier	05/20/14		Bristol Fire Protection	None												
Fire Protection- Casino lower tier	09/11/14		Arden Engineering	E.L. Waterman												
Plumbing- Casino lower tier	09/22/14		NB Kenney	Construction Planners Hat Creek Outfit, Inc												
Plumbing - Garage lower tier	05/16/14		NB Kenney	None												
Temp Plumbing lower tier	04/11/14		NB Kenney	None												
Underground Plumbing lower tier	06/17/14		NB Kenney	None												
HVAC Parking Garage lower tier	08/14/14		DDS Industries													
HVAC Casino lower tier	09/22/14		Cox Engineering	Cox Engineering												
Casino Elevator	08/08/14		ThyssenKrupp	None												

TURNER CONSTRUCTION COMPANY  
 Plainridge Casino  
 M/W/VBE TRACKING FOR QUARTERLY REPORT

updated: 9/30/2014

Trade	Contract Award Date	Award Amount	Awarded Prime Subcontractor	MBE / WBE / VBE Opportunity	Updated At award						Updated Prior to start and during construction					
					Original Commitment						Payments to Date					
					MBE	%	WBE	%	VBE	%	MBE	%	WBE	%	VBE	%
lower tier																
MEP Equipment - Casino and Garage lower tier	04/11/14		Turner Logistics	None												
MEP Equipment - Simulcast lower tier	06/17/14		Turner Logistics	None												
Overhead Door & Loading Dock Equipment lower tier	09/11/14		Collins Overhead Door, Inc	Dagle Electric												
Electrical- Casino lower tier	09/22/14		Coghlin Electric	Coghlin Electric												
Electrical - Garage lower tier	05/12/14		Ostrow Electric	Reid Electric Fire Code Design												
Underground and Site Electrical lower tier	06/17/14		Ostrow Electric	Reid Electric Granite City Electric												
<b>TOTALS TO DATE</b>		<b>\$ 56,686,114.00</b>			<b>\$ 7,788,092.00</b>	<b>14%</b>	<b>\$ 9,513,755.00</b>	<b>17%</b>	<b>\$ 7,757,900.00</b>	<b>14%</b>	<b>\$ 2,883,379.00</b>	<b>5%</b>	<b>\$ -</b>		<b>\$ -</b>	

Total Contracts Awarded to Date	\$ 56,686,114.00
Total W/M/VBE Commitments to Date	\$ 25,059,747.00
Total W/M/VBE Payments through June 30, 2014	\$ -
Total W/M/VBE Payments through September 30, 2014 *	\$ 2,883,379.00

\* We have only entered payments made to prime MWVBE contractors.  
 We are currently implmenting the process to receive lower tier lien waivers  
 which will certify the payments going to lower tier subcontractors.

**PROJECT GOALS**

MBE - 4%  
 WBE - 7%  
 VBE - 3%

**COMMITMENT TOTALS**

MBE Percentage 14%  
 WBE Percentage 17%  
 VBE Percentage 14%

## APPENDIX 9

### Plainridge Park Casino Quarterly Report to MGC Contracts and Payments to Minority, Women and Veteran Business Enterprises for Design Phase As of September 30, 2014

Reference 205 CMR 135.02 – (5)(f)

**Detailed statistical report:**

Minority	0% participation to date vs. goal of 4%
Female	0% participation to date vs. goal of 7%
Veteran	0% participation to date vs. aspirational goal of 3%

**Deviation from established goals:**

- Unique set of circumstances, as described in June 30 quarterly report, remain the same
- JCJ, project architect, has contracted with a WBE structural engineer to assist with modifications being made to the existing racing building. While the amount involved is not significant, JCJ and Penn National Gaming are both pleased to add some level of MBE/WBE/VBE participation to the design phase.
- We will continue to work with design team members to identify any further MBE/WBE/VBE opportunities.

**Actual Payments to Minority Business Enterprises**

As of September 30, 2014, no payments were contractually due to any design team minority enterprises

## APPENDIX 10

### Plainridge Park Casino Quarterly Report to MGC Permits As of September 30, 2014

Reference 205 CMR 135.02 – (6)

#### Permit Chart and Corresponding Documents (pursuant to 205 CMR 120.01)

- Permit Status Report dated October 14, 2014 attached
- Expect issuance of Casino Build-Out Permit by end of week, October 13.

#### Updates to MEPA Process

- Received MASSDOT/MEPA Section 61 Findings for offsite traffic improvements
  - Expect permits and commencement of work during November 2014
- Received final comments on 25% Plans submitted to District 5
  - Submitted 100% plans October 9, 2014
- Received MASSDOT/MEPA response on GZA National/Grid MITZ Power Upgrade on October 1, 2014 stating that additional review in the form of a Notice of Project Change (NPC) is not warranted.

#### Permit Appeals

- None

# Plainridge Park Casino Permit Status Report

Report Updated October 14, 2014

<u>PERMIT</u>	<u>DATE ISSUED</u>
1. <u>Plainville Conservation Commission</u>	
• Negative Determination of Applicability (sitework) (no number assigned)	10/23/2012
• Order of Conditions (electrical transformer substation) <b>Mass DEP File No. SE 265-0322</b>	11/19/2013
• Order of Conditions (additional surface parking) <b>Mass DEP File No. SE 265-0323</b>	11/19/2013
• Order of Conditions (offsite highway improvements) <b>Mass DEP File No. SE 265-0324</b>	11/19/2013
2. <u>Plainville Board of Health</u>	
• Environmental Health Impact Permit (no number assigned)	07/09/2013
• Modified Environmental Health Impact Permit Stormwater Treatment Units (no number assigned)	08/11/2014 *
3. <u>Plainville Planning Board</u>	
• Amended Special Permit (no number assigned)	08/29/2013
4. <u>Plainville Building Department</u>	
• Building Permit (Core Shell Structure) <b>Permit Number 14-134</b>	06/18/2014
• Building Permit (Simulcast Demolition) <b>Permit Number 14-153</b>	08/06/2014 *
• Building Permit (Parking Garage Transfer) <b>Permit Number 14-131A</b>	10/07/2014 *
5. <u>Mass. Department of Transportation (MassDOT)</u>	
• Attractions Guide Signage <b>Permit Number 5-2012-0130</b>	09/05/2012
• Section 61 Findings (Reference MEPA EEA #11431)	10/07/2014 *
6. <u>Mass. Division of Fisheries and Wildlife (Mass DFW)</u>	
• Confirmation of "No-Take" Letter under Mass. Natural Heritage and Endangered Species Program <b>NHESP Tracking No. 10-27867</b>	04/12/2013

- |   |                               |
|---|-------------------------------|
| 7. <u>Mass. Exec. Office of Energy &amp; Environmental Affairs</u>  |                               |
| <ul style="list-style-type: none"> <li>• Certificate of the Secretary of Energy and Environmental Affairs on the Final Environmental Impact Report under the Massachusetts Environmental Policy Act (MEPA FEIR)<br/><b>EEA Number 11431</b></li> <li>• E-mail from MEPA Director<br/>N-Grid Distribution Line to MITS – no review required<br/><b>EEA Number 11431</b></li> </ul> | 12/27/2013<br><br>10/01/2014* |
| 8. <u>U. S. Environmental Protection Agency (US EPA)</u>  |                               |
| <ul style="list-style-type: none"> <li>• Confirmation of No Permit Required under the National Pollutant Discharge Elimination System (NPDES) Permitting requirements</li> </ul>  | 06/12/2013                    |

Pending Project Permits:

- |  |                 |
|--|-----------------|
| * Building Permit – Casino Interior Fitout | Filed with Town |
|--|-----------------|

Future Project Permits:

- |  |                             |
|--|-----------------------------|
| A.) <u>Plainville Conservation Commission</u> – Security Fence | Application Not Yet Filed   |
| B.) <u>MassDOT</u> –   |                             |
| Highway Entrance Modifications <b>5-2014-0416</b>              | Under review by MassDOT     |
| Soil Borings for Design and Signals <b>5-2014-0506</b>         | Under review by MassDOT *   |
| R-O-W No Access Line Alteration                                | Application Not Yet Filed * |
| C.) <u>Permanent Racing Operations Building</u>                | Under discussion *          |

\* New items added quarter ending September 30, 2014

## **APPENDIX 11**

**Plainridge Park Casino  
Quarterly Report to MGC  
Notice to Organized Labor  
As To Licensees Commitments for Affirmative Action  
As of September 30, 2014**

**Reference 205 CMR 135.02 – (7)**

No change from last quarter. Remain in compliance with licensing requirements and commitments pursuant to MGL. C23K various sections.

Turner's relationship with the Business Agents and Managers remains positive and receptive and they continue to be cooperative in reinforcing the goals of 16% minority, 7% female and 3% aspirational veterans.



## APPENDIX 12

### Plainridge Park Casino Quarterly Report to MGC Operational Affirmative Action Plan As of September 30, 2014

#### Reference 205 CMR 135.02 – (8)

- Received MGC approval August 7, 2014 on affirmative marketing plan for utilization of minority, women, and veterans enterprises in the provision of goods and services to the gaming establishment. This plan covers the non-construction procurement portion of the facility fitout (excluding slots) and post opening goods and services.
  - Approved report: Plainridge Park Casino Purchasing Practices Plan for Local and Traditionally Disadvantaged & Diverse Businesses
  - Procurement Goals:

Minority	Goal of 6%
Female	Goal of 12%
Veteran	Goal of 3%
  - Procurement for non-construction activities has not yet taken place.
  
- SGR held and participated in several vendor outreach programs this quarter. All events were well attended and very well received by Massachusetts vendors. Those events include:
  - SGR and MGM Mirage held a one day joint vendor outreach program in Worcester, MA
  - Participated in Women Business Leaders Conference vendor outreach program in Framingham, MA held by Center for Women Enterprises and Women’s Business Enterprise National Council
  - Sponsored and participated in 2 day vendor outreach event held by Greater New England Minority Supplier Diversity Council

MGM  SPRINGFIELD





# Workforce Development Plan

**Mike Mathis**  
*President & COO*  
*MGM Springfield*

# AGENDA

Community Partners

Western MA Workforce Update

MGM Springfield Workforce Development Plan

Q & A

# PRESENTERS

**David M. Cruise**

*President & CEO*

Regional Employment Board of Hampden County, Inc.

**Laura Lee**

*Senior Vice President of Regional Operations*

MGM Resorts International

**Mike Knapp**

*CEO*

SkillSmart

**Jason Green**

*Vp of Business Development*

SkillSmart



# Workforce Development Plan

**David Cruise**

*President & CEO*

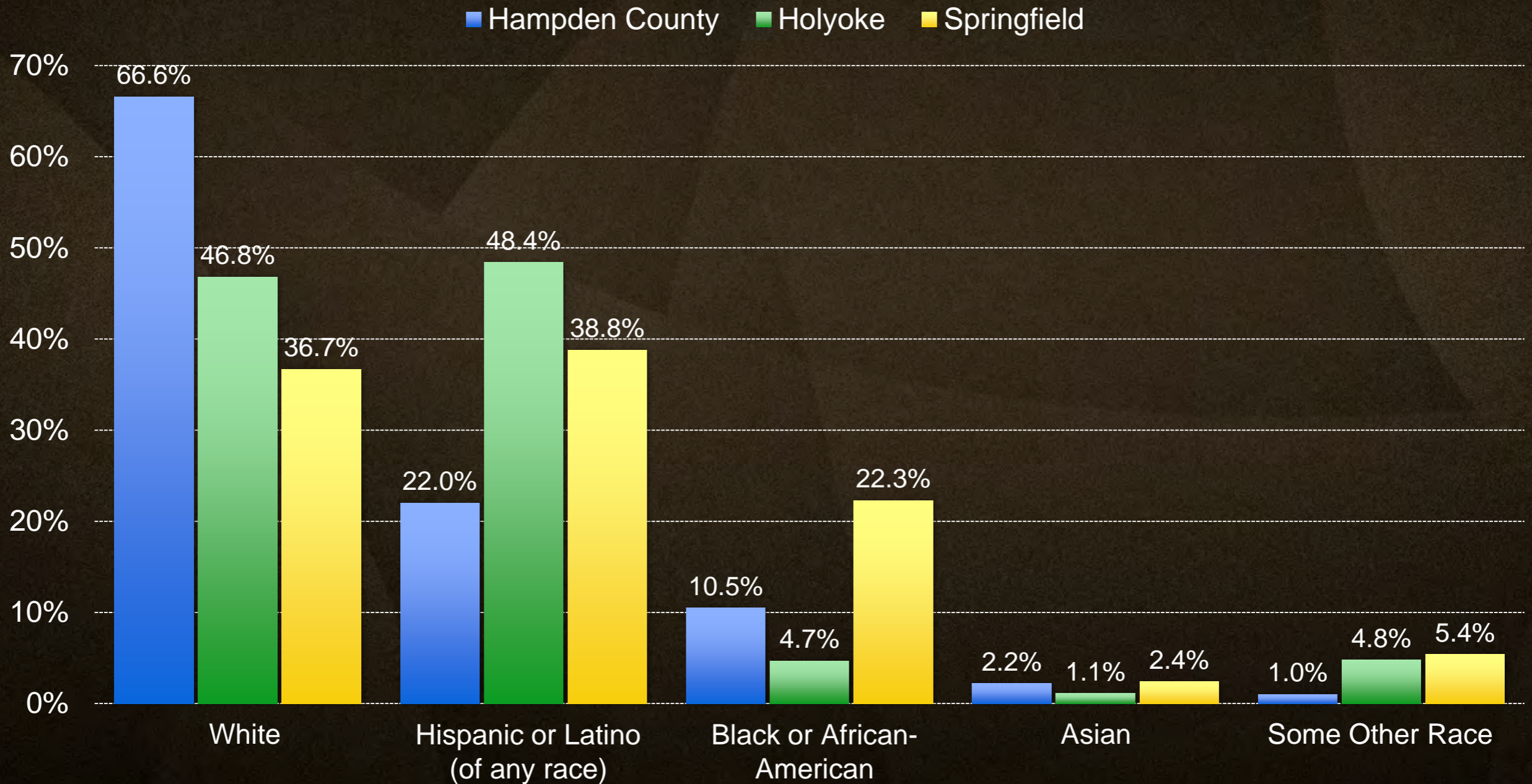
*Regional Employment Board of Hampden County*

# REGIONAL EMPLOYMENT BOARD OF HAMPDEN COUNTY, INC. LABOR FORCE PARTICIPATION

	Total	In Labor Force	Employed	Unemployment Rate
Population +16yrs	371,352	230,981	127,732	11%
16 – 19yrs	28,421	12,051	3,507	35.1%
20 - 24yrs	34,848	25,648	14,773	21.8%
25 - 44yrs	111,231	47,162	13,724	10.2%
45 - 54yrs	67,963	50,021	28,812	6.3%
55 - 64yrs	59,053	25,038	7,286	7.6%
65 - 74yrs	35,875	26,404	15,209	6.5%
+75yrs	33,961	14,399	4,109	0%

# REGIONAL EMPLOYMENT BOARD OF HAMPDEN COUNTY, INC.

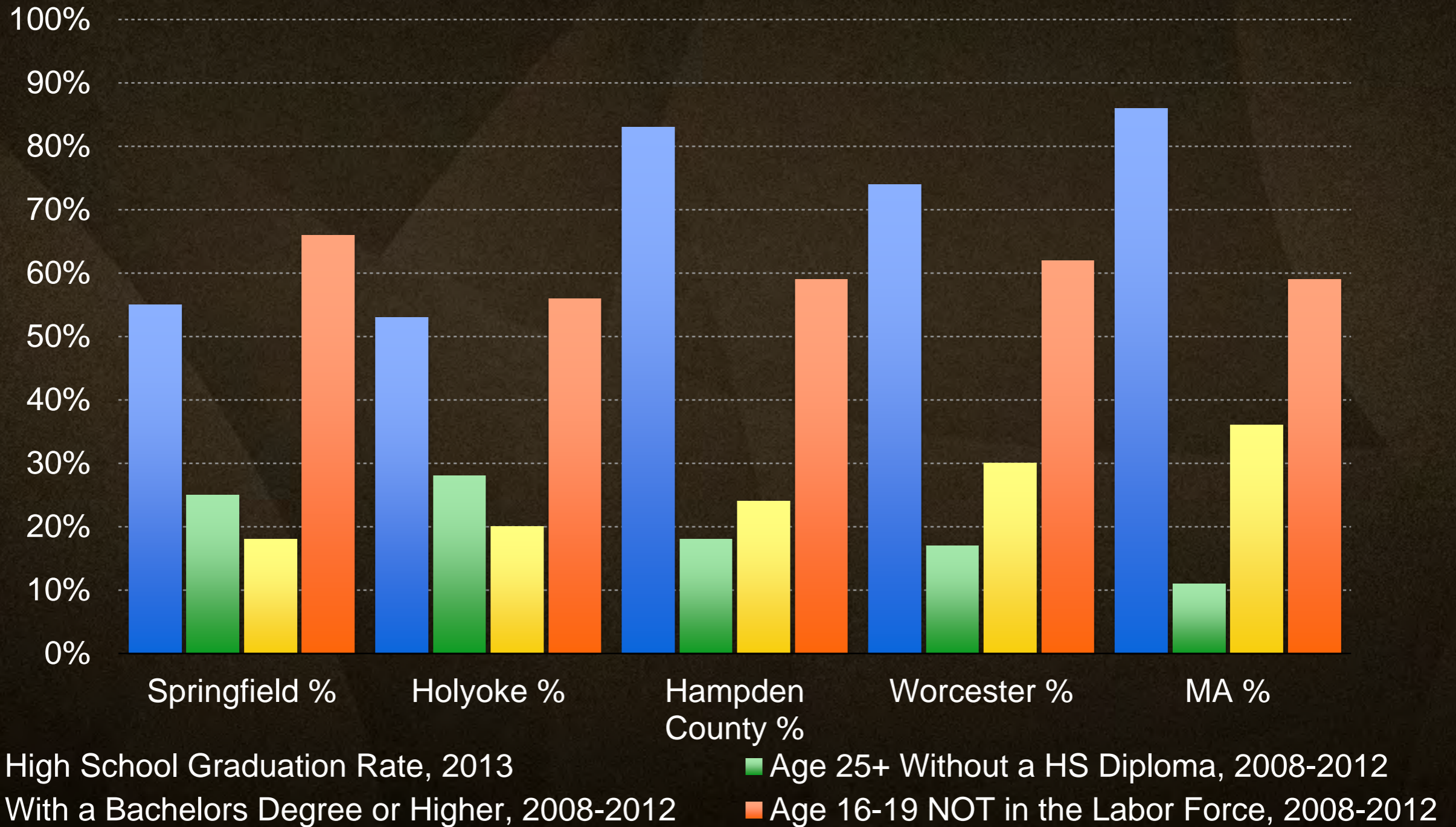
Hampden County Population Demographics  
Hampden County Population 2012 Estimate (Total = 465,923)





# REGIONAL EMPLOYMENT BOARD OF HAMPDEN COUNTY, INC.

Hampden County Population Demographics  
Hampden County Population 2012 Estimate (Total = 465,923)





# Workforce Development Plan

**Laura Lee**

*Senior Vice President of Regional Human Resources  
MGM Resorts International*

Then

&

Now



# GOALS AND OBJECTIVES

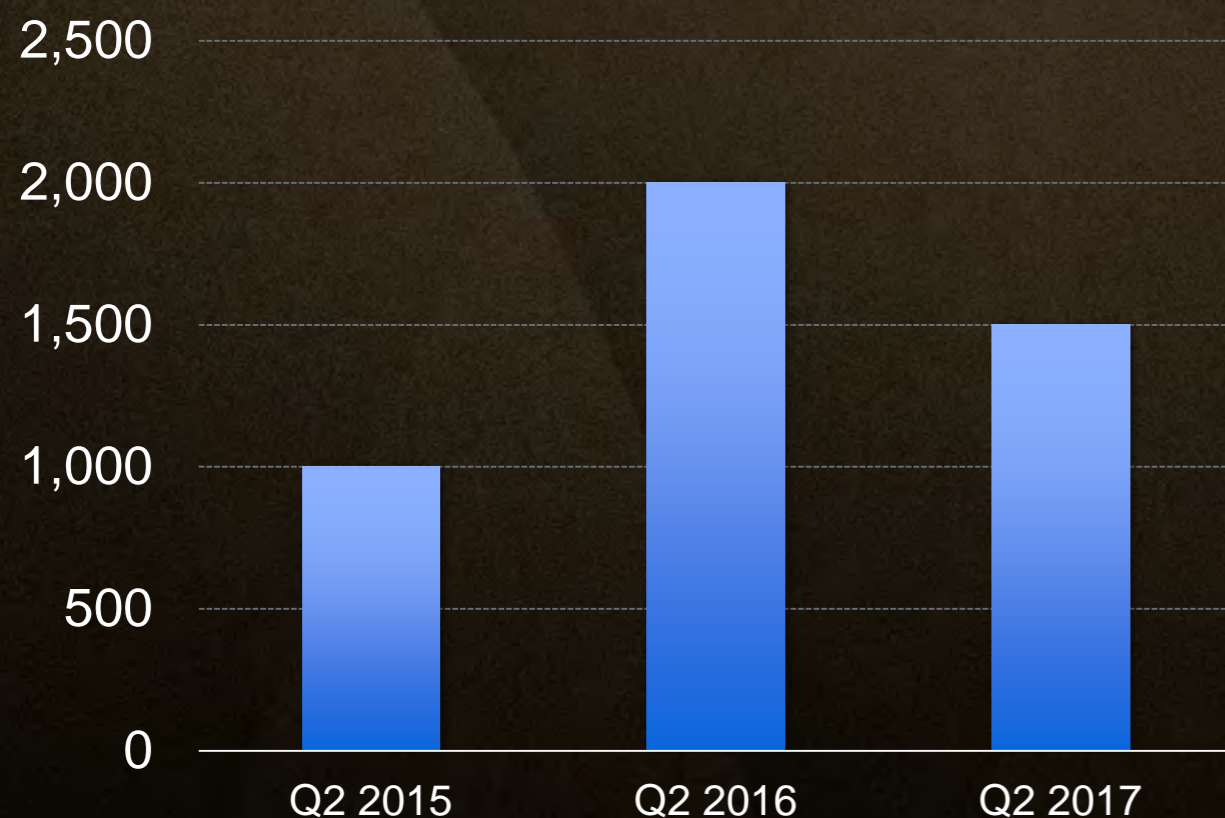
MGM Resorts International is committed to the recruitment & training of a diverse workforce for MGM Springfield.

Additionally, we are committed to building & maintaining a diverse & dynamic workforce through ongoing training opportunities & education, career planning & development, community partnerships, & more.

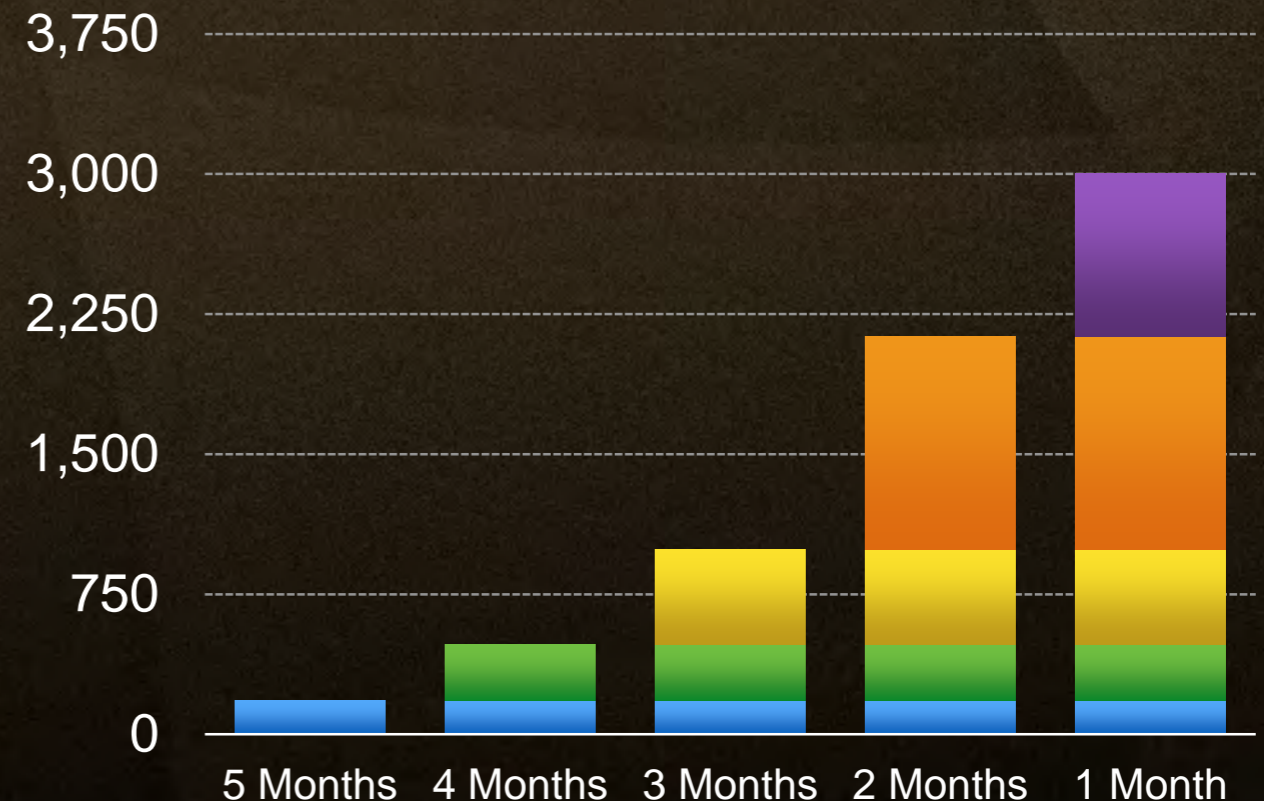
# CAREER OPPORTUNITIES TIMELINE

MGM Springfield's hiring model will consist of a gradual ramp up beginning prior to an anticipated 2017 opening date. Our staffing plan will continue to evolve as the Executive team for MGM Springfield comes on board. Below is the number of employees we anticipate hiring:

## Construction



## Operations



# CAREER OPPORTUNITIES OVERVIEW

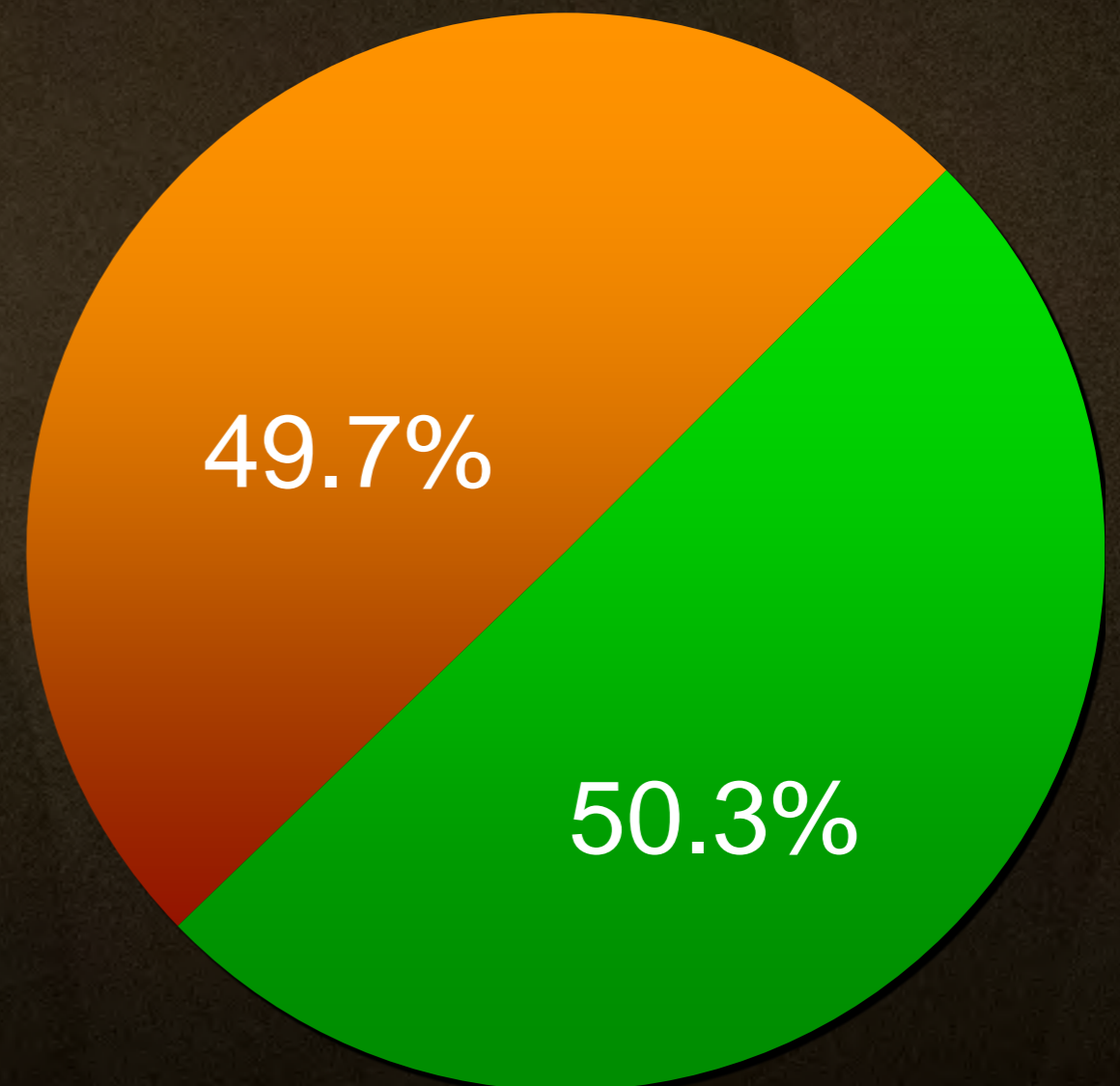
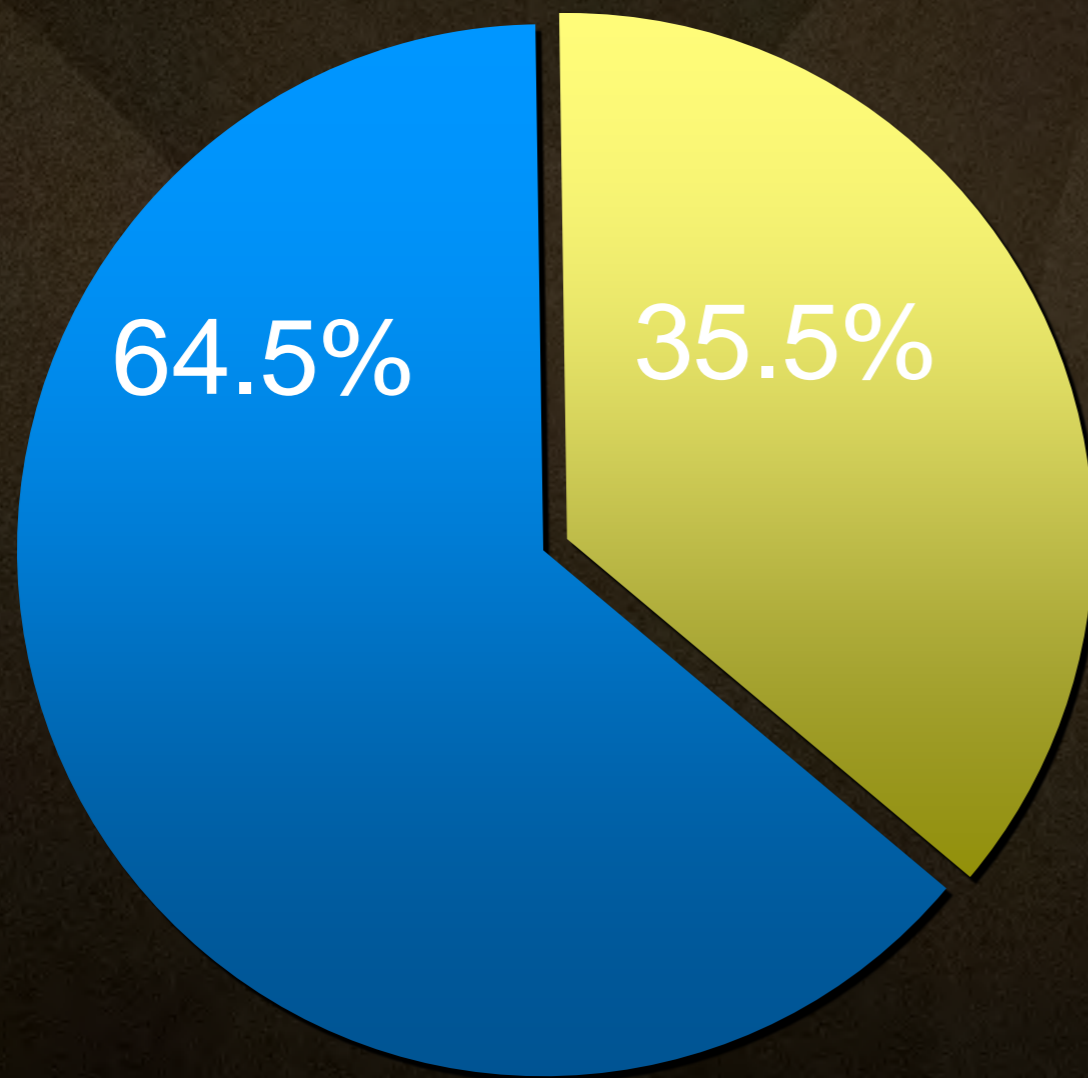
The positions will be posted on our website, as well as the state workforce system. MGM Springfield's hiring will focus on the following departments:

Casino	33%
Hotel	3%
Food & Beverage	36%
Retail	1%
Property Operations	2%
General / Admin	19%
Marketing / Advertising	>1%

# MGM WORKFORCE PROFILE

■ Minority   ■ Caucasian

■ Male   ■ Female



# OUR PEOPLE PHILOSOPHY

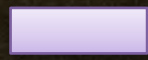
Engage, Invest in, and Inspire.

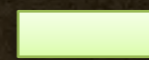





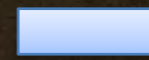
# MASS HIRING PLAN:

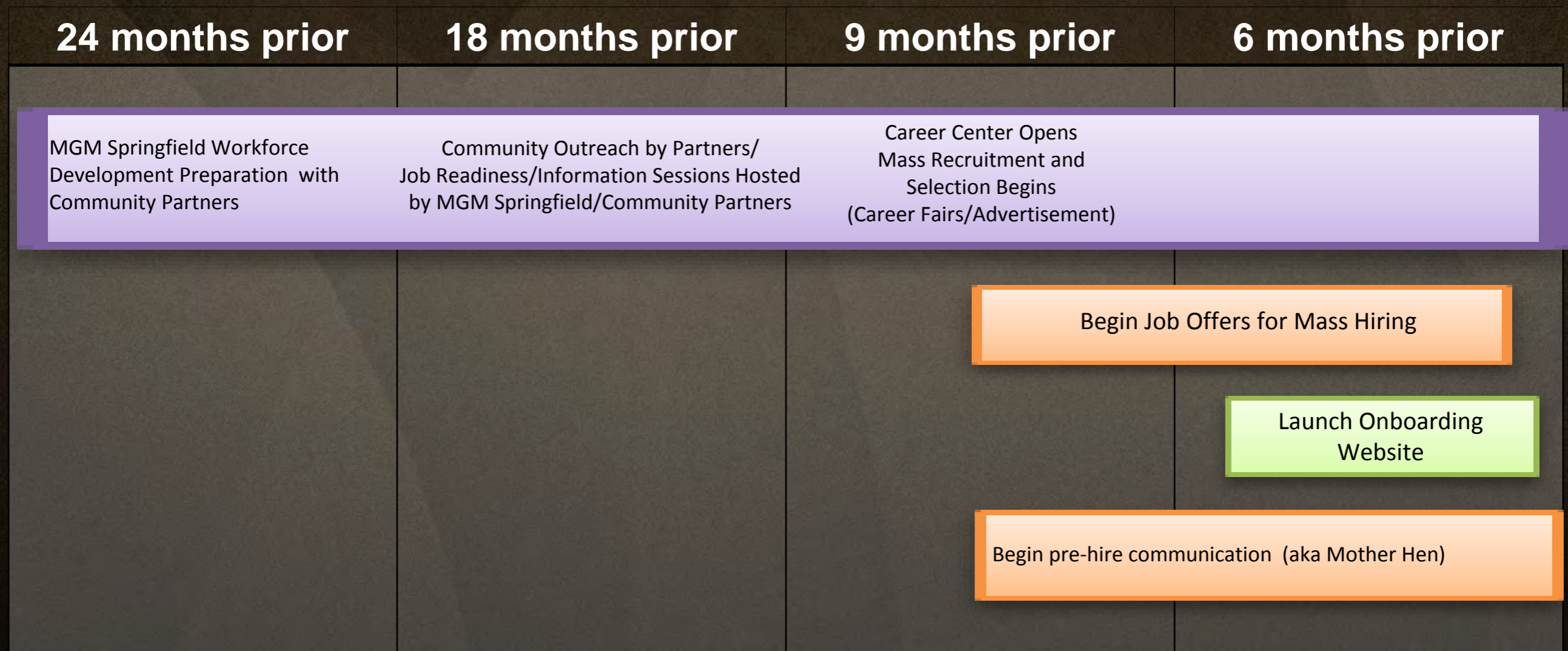
## 24-MONTH MASTER TIMELINE

 = Recruitment and Selection


 = New Hire Processing

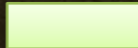
 = Job Offers


 = Day One Activities

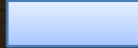


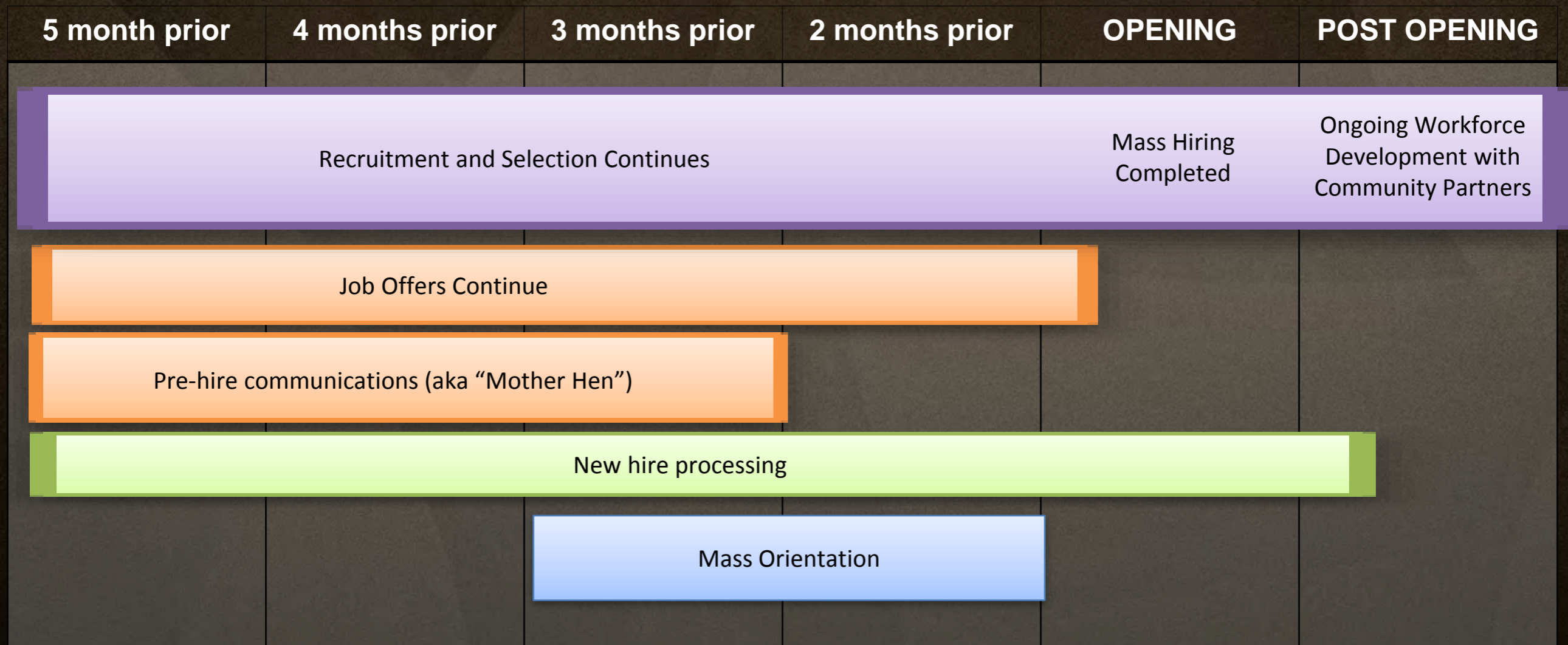
# MASS HIRING PLAN: 24-MONTH MASTER TIMELINE

 = Recruitment and Selection

 = New Hire Processing

 = Job Offers

 = Day One Activities



# APPLICANT LIFECYCLE

Community Resources

Career Pathways Portal

MGM Resources



# ENGAGE



# COMMUNITY OUTREACH



**Educational Institutions**



**Non-profit Organizations**



**Faith-based Organizations**



**Community Centers  
& Organizations**



**Veteran Associations**

# RESOURCES

# COMMUNITY OUTREACH & COMMUNICATIONS



Career Fairs



Website



Forums



Advertising



Career Center



Town Hall

INVEST IN







**Mike Knapp**  
CEO

**Jason Green**  
Vice President of Business  
Development

# MGM SPRINGFIELD CAREER PATHWAYS PORTAL



SkillSmart is a unique platform that quickly matches job seekers with open positions based on their skill ability. The site also identifies education opportunities to improve a job seeker's abilities, increasing success for the employer and job seeker.

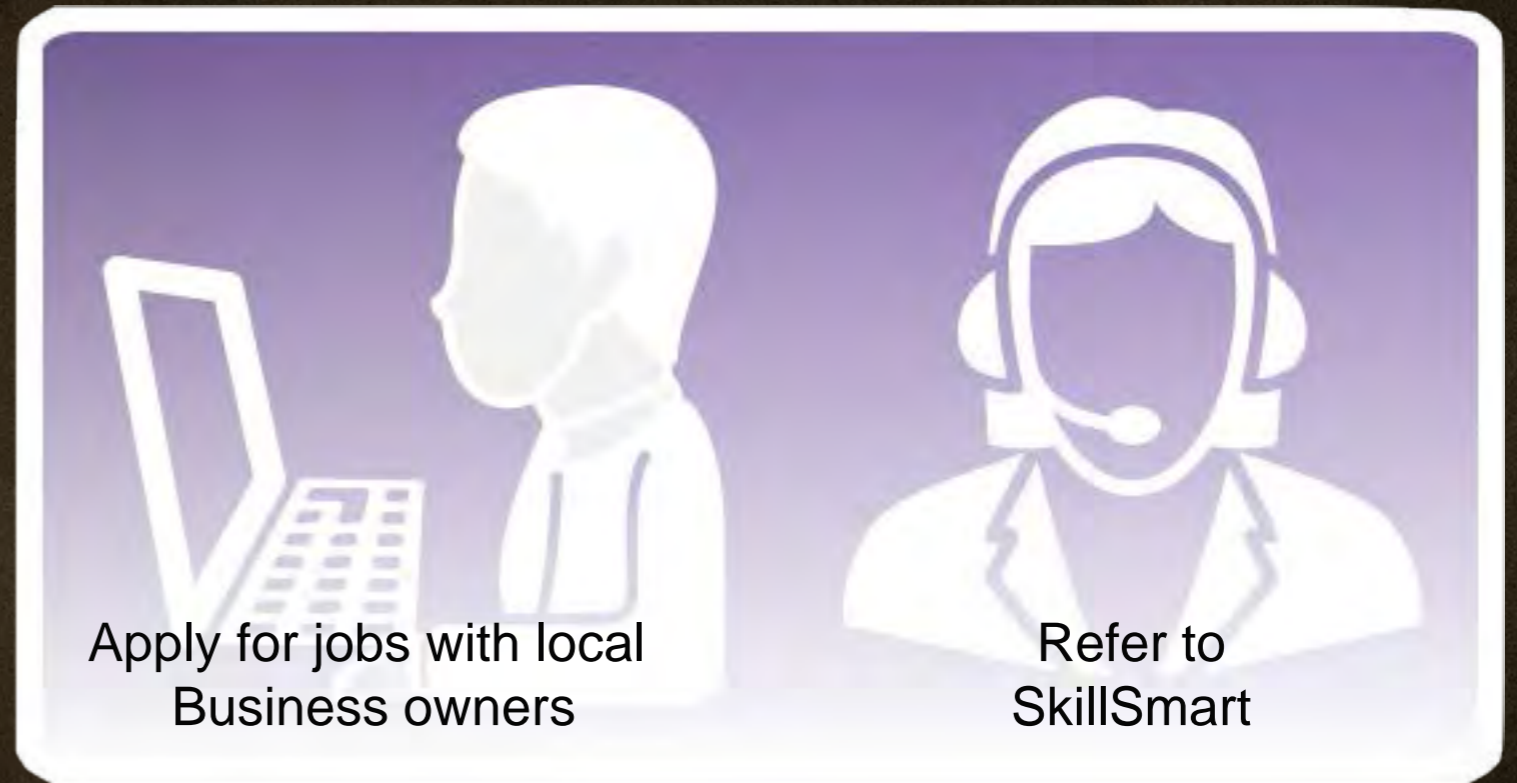
# APPLICANT EXPERIENCE

Job Offer!



Ongoing Support

Plan Of Action for Non-selected Applicants



Apply for jobs with local  
Business owners

Refer to  
SkillSmart

MGM Resorts is committed to making this process as transparent as possible by partnering with the community and offering ongoing support.

# INSPIRE



# ONGOING SUPPORT TRAINING



**BOOTS TO BUSINESS**

INSPIRATION  
begins  
with YOU

**MAD**  
MANAGEMENT ASSOCIATE PROGRAM



employee  
volunteer program  
MGM RESORTS



 SkillSmart



MGM RESORTS INTERNATIONAL®



NAVIGATING OUR  
WORLD  
NEW HIRE  
ENCULTURATION



# DAY IN THE LIFE



MGM  SPRINGFIELD



*Wynn* RESORTS<sup>®</sup>



Wynn Resorts

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# MONTHLY UPDATE

# Building and Site Design

The process of reconsideration  
is well underway

Projected SFEIR filing –  
By year-end

Meetings with MassDOT  
and MBTA

Construction Manager Update

# Remediation Update

## Preparing Site Remediation

On-site soil pre-characterization

## Finalize Phase IV Report

Final step prior to on-site remediation

Expected completion by end of 2014

On-site remediation is  
scheduled for 1Q 2015


# Environmental Discussion

October 28, 2014

Tufts University Medford, MA 7:00 p.m.

Wynn Resorts Development  
on the  
**Mystic River:**  
*Presentation & Discussion Forum  
on Environmental Issues*


Tuesday, October 28th at 7:00 p.m.  
Tufts University, 51 Winthrop Street  
Medford, MA



*How might the casino impact the Mystic River and waterfront lands?*

Join Representatives from the Wynn Resorts development team for a public presentation and discussion forum on environmental issues associated with the proposed project on the banks of the Mystic River in Everett. This major development will prospectively bring many changes to the Mystic River watershed, including the clean-up of a waterfront Brownfield site that has been vacant for decades.

Come learn more about ways this important proposal may affect the Mystic River watershed — all are welcome to attend!



Sponsored by the Mystic River Watershed Association and hosted by Tufts University.  
For more information see [www.MysticRiver.org](http://www.MysticRiver.org).

# Vendor and Career Information Sessions

## Start a shining future with the new 5-star Wynn Resort.

### Visit Wynn Resorts Vendor & Career Information Sessions

Be among the first to learn about the thousands of careers and local vendor opportunities that will be generated by the new \$1.6 billion Wynn Resort in Everett.

- 4,000 construction and 4,000 permanent jobs will be created
- Average salaries of more than \$50,000 plus benefits and training
- \$120 million will be spent per year by Wynn on vendor goods and services

#### Upcoming Events:

Monday - 10/20	Malden*	Jackson Suites, 7 Jackson Street
Tuesday - 10/21	Cambridge*	Boston Marriott Cambridge, 2 Cambridge Center
Wednesday - 10/22	Everett	Connolly Center, 90 Chelsea Street
Thursday - 10/23	Charlestown*	Bunker Hill Community College, 250 New Rutherford Avenue
Wednesday - 10/29	Chelsea	Mystic Brewery, 174 Williams Street
Thursday - 10/30	Lynn	North Shore Community College - McGee Building, 300 Broad Street

*All events will be from 6:00 to 7:30 in the evening*

*\*Adjacent to MBTA station*

[www.WynnInEverett.com](http://www.WynnInEverett.com)



# Vendor and Career Information Sessions

**October 20, 2014**

Jackson Suites, Malden

**October 21, 2014**

Boston Marriot Cambridge, Cambridge

**October 22, 2014**

Connolly Center, Everett

**October 23, 2014**

Bunker Hill Community College, Charlestown

**October 29, 2014**

Mystic Brewery, Chelsea

**October 30, 2014**

North Shore Community College, Lynn

# Surrounding Community Engagement

Since the decision, we have engaged with every surrounding community

Productive discussions continue related to our SFEIR filing

# Surrounding Community Engagement

## Everett City Fest

Supported Local Vendors

## Malden Summer Concert Series

Summer 2014 – 7 Events

## Community Water Chestnut Removal

Mystic River, Medford/Somerville

4 Days, 283 Participants

## GNEMSDC Annual Vendor Conference

September 30 – October 1

Attended with Gilbane Construction

Held one-on-one meetings with prospective vendors



# Wynn / Boston Bruins Foundation

**Boston Bruins Alumni and Mascot  
Blades**

**Youth Ice Hockey Clinics**

East Boston Youth Hockey

Everett Youth Hockey

Malden Youth Hockey

Cambridge Youth Hockey

**Youth Street Hockey Clinics**

Chelsea Public Schools

Medford Public Schools

**Wives of Boston Bruins Players  
and Management**

**Halloween Costume  
Purchasing / Donation**

Charlestown Boys and Girls Club

Purchased in Somerville

# Other Community Support

Boys and Girls Club of Middlesex  
County Annual Gala

Cambridge Chamber of Commerce  
Membership

Chelsea Pot-o-Gold Banquet

Everett Independence Day  
Celebration

Everett Chamber of Commerce  
Annual Golf Tournament

Veterans Inc. Annual Gala and  
Fundraiser

Malden Latino Festival

Malden Pot-o-Gold Banquet

# Diversity Update

Ongoing meetings with the Massachusetts Supplier Development Office, Action for Regional Equity, GNEMSDC, and other local stakeholder groups to seek input and feedback on the strategy

Working with Jill Griffin and the Vendor Advisory and Workforce Development team to finalize Wynn's Diversity Strategy for construction and hiring

Expect to submit finalized plan to the Gaming Commission by early December

*Wynn* RESORTS<sup>®</sup>

# Informing play management systems: International review of limit-setting tools

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The Massachusetts Gaming Commission (MGC) **Responsible Gaming Framework**: *is designed to provide structure for responsible gaming practices of Massachusetts Gaming Commission licensees and is based on the commitment by the Massachusetts Gaming Commission and their licensees to the guiding value of ethical and responsible behavior.*

A key element of the Responsible Gaming Framework is *Strategy 2: Support Informed Player Choice*, which sets out measures to support players' efforts to responsibly manage their gambling. Section 2.2 *Play Information and Management Systems* describes specific tools to implement this strategy, including the ability for players to pre-commit to limits of money and time (hereafter referred to as "limit-setting") for their gambling. Several gaming industry stakeholders have expressed concerns regarding such tools. These concerns focus, in part, on whether the tools will be feasible to implement and cost-effective in relation to the anticipated benefits. Operators in many jurisdictions have implemented limit-setting features, and governments have deemed them economically feasible when weighed against the anticipated profits to operators from gambling. These jurisdictions offer valuable practical experience in the development, implementation, evaluation and refinement of such tools.

Issues regarding effectiveness are more difficult to address. Historically, gambling researchers have targeted the use of limit-setting or "pre-commitment" tools as a method of reducing the harm caused by problem gambling. As a result, a majority of the research literature has focused on evaluating attitudes toward limit-setting and limit-setting practices of problem gamblers. In this regard, the extant empirical research does not offer definitive scientific evidence that limit-setting tools are effective, largely because "methodological flaws such as low participation rates, compromised data integrity resulting from card sharing and failure to control for concurrent gambling outside trials limit conclusions drawn regarding the effectiveness of limit-setting" (Ladouceur, Blaszczynski, & Lalande, 2011). In addition to methodological limitations, the restricted focus on harm caused by problem gambling seriously limits the applicability of this research. It is well known in the economic literature that people behave in ways contrary to their stated intentions when it comes to money and risk (Kahneman & Tversky, 1979; Tversky & Kahneman, 1992). These discrepancies are common to all individuals, not just those for whom self-control over money is a challenge.

Limit-setting was never intended to focus solely on individuals with problems. Rather, the notion, with its origins in the economic literature, was meant to describe strategies that empower individuals in general to establish reasonable boundaries for expenditure, irrespective of context. Future rigorous scientific investigations may well find that limit-setting strategies are most useful to recreational gamblers, particularly those who never move along the spectrum to disorder because they develop an awareness of their behavioral patterns and ensure they enjoy themselves within sound limits.

## Objective

To more wholly address the concerns regarding feasibility and cost-effectiveness in relation to the anticipated benefits, a team of research and policy experts (see Appendix A – Key Biographies) set out to: (a) gather information from the practical experience of other jurisdictions, (b) draw on existing scientific knowledge, and (c) make expert recommendations appropriate for the State of Massachusetts. The team includes two of the leading contributors to the scientific literature on limit-setting, Dr. Lia Nower and Dr. Alex Blaszczynski. This report documents the team’s findings, discussion and recommendations.

## Background

The concept and discussion of limit-setting are rooted in economics and investigations of consumer choice. In his seminal work, Strotz (1955) referenced the mythological Ulysses, who tied himself to the mast of his ship rather than face the temptation of the sirens, to support the proposition that humans are “dynamically inconsistent” in their choices and ability to control behavior. In response, wisdom directs some to “pre-commit” to a fixed standard to limit their behavior in times when control was lacking.

Thaler (1980) theorized that limit-setting originates with the notion that “psychic” or “sunk” costs actually guide future behavior: The more we invest in a product or behavior, the more we will continue to persist, even in the face of mounting losses or other negative consequences. The antidote to this is to induce feelings of responsibility or regret *before* costs are incurred, thereby minimizing choice and limiting losses. Fear of regret and the desire for responsibility, then, leads individuals to adopt limit-setting strategies to avoid future negative consequences (Strotz, 1955; Thaler 1980).

In gambling, there is a common misconception that limit-setting should be tied to level of problem gambling severity. However, the economic literature makes it clear that all people make inconsistent choices and should be able to set limits, not just those who manifest symptoms of impaired control. It is important, therefore, to establish mechanisms that encourage those who gamble in venues to set limits on the amounts of time and money they will spend gambling, prior to actually engaging in play. As in economics, the system should be based on the belief that we can establish strategies in a calm and thoughtful present state to limit our options in a future state of reduced self-control, excitement, or recklessness.

As summarized in Ladouceur, Blaszczynski and Lalande (2011),

Research shows that gamblers experience high levels of arousal (Wilkes, Gonsalvez, & Blaszczynski, 2010), lose track of time (Ricketts & Macaskill, 2003) and experience dissociative states (Wanner, Ladouceur, Auclair, & Vitaro, 2006), while gambling, making it difficult to monitor and control behaviours (Carver & Scheier, 1998).

The intent (of limit-setting) is to promote deliberate decisions regarding expenditure in advance of play, and, by imposing barriers, to ensure compliance with such decisions when emotionally aroused after losses.

## Approach

Limit-setting tools have been implemented in five countries: New Zealand, Singapore, Norway, Sweden, and Canada (the Province of Nova Scotia, and to be launched in the Province of British Columbia in early 2015) and piloted in four Australian States (South Australia, Queensland, Victoria, Western Australia). Documents were gathered from all of these jurisdictions. The detailed analysis presented here focuses on the jurisdictions in New Zealand, Canada, Norway, Sweden and Australia. These jurisdictions were selected based on extensive available documentation, relevance, and willingness to disclose details of implementation in interviews.

The review sought to understand:

- |  |  |
|--|--|
| a) Objectives, i.e., what they are trying to achieve with the limit-setting program;   | g) Incentives;                               |
| b) Target audience;  | h) Perceived and evaluated effectiveness;    |
| c) Key features of the limit-setting tools, e.g., mandatory or voluntary, types of limits, method of access, privacy protections, software/hardware, customer and technological interface; | i) Best and emerging practices;              |
| d) Customer response;  | j) Implementation process and challenges;    |
| e) Marketing;  | k) Timelines including unanticipated delays; |
| f) Staff training;   | l) Cost;                                     |
|  | m) Lessons learned; and                      |
|  | n) Any planned changes                       |

The team first undertook a comprehensive document review followed by key informant interviews. Interviews were conducted to confirm and contextualize findings and to address gaps in the document review. These sources informed the recommendations:

1. Comprehensive document review of evaluation reports, regulations, scientific literature, media articles, and other commissioned reports for individual jurisdictions and across multiple jurisdictions;

2. Key informant interviews to provide a range of perspectives from those with first-hand experience with implemented limit-setting tools. Three perspectives were sought, (a) government, regulator or other lead agency; (b) gaming operators; and (c) gaming technology companies.

Findings of the review are presented within jurisdictions. In the Discussion section, findings are analyzed and discussed across jurisdictions and provide the rationale for the recommendations.

## Findings by jurisdiction

**Table 1. Characteristics of international limit-setting programs** provides an overview of limit-setting and play management programs that have been implemented or piloted in each jurisdiction. The table allows comparison across jurisdictions of: the types of limits players can set (monetary and time, duration of limits); whether the program is mandatory or voluntary; whether they related system is network-, machine- or device-based; and whether the tools are accessed using a stand-alone card or integrated with the player loyalty card.



**Table 1. Characteristics of international limit-setting programs**

Jurisdiction	Program Name	Program Type	Limit Types	Mandatory OR Voluntary	Network, Machine or Device Based Systems	Stand-Alone Card OR Integrated with Loyalty Card	Operator	Tech Company
New Zealand	SkyCity's Voluntary Pre-Commitment Programme	Voluntary pre-commitment on poker machines	Monetary and time limits	Voluntary (mandatory limit setting for online lottery MyLotto)	Network, with access from machine, kiosk and customer service	Linked to loyalty card	SkyCity	Bally Technologies Inc
Nova Scotia	My-Play System	Card-based player tracking system for VLTs	Monetary and time limits, ability to stop play immediately, access historical information and in-progress play activity	Mandatory for machines in 2012, mandatory for players to have card in 2012, voluntary to use features	Network-based	UNCERTAIN	Nova Scotia Provincial Lotteries & Casino Corporation	Techlink Entertainment
Norway	Spillerkort (player card)	Smart card, can be used on VLTs, introduced in 2009	Monetary and time limits, play summaries, risk assessment, timeouts, mandatory limits of \$70 CDN per day and \$390 CDN per month	Mandatory for operators and players. Government sets pre-commitment limits on cards, players can set lower limits	Player account information stored on central server	Player card tied to incentives such as free games, restricted game access, and donation of stake to local cause	Norsk Tipping	UNCERTAIN
Norway	Belago (name of RG VLT)	RG VLT, gamblers must use player card on these machines	Mandatory monetary limits and breaks in play, lower bets and lower prizes, and player exclusion options	Machines have mandatory pre-commitment technology	All VLTs are connected to a central server	UNCERTAIN	Norsk Tipping	UNCERTAIN
Norway	Multix (name of RG VLT)	VLTs with strictly cashless card-based system with inbuilt pre-commitment options	Time and monetary limits, max \$400 NOK (\$80) daily and \$2200 NOK (\$440) monthly, bet limits, \$50 NOK (\$10), win limit \$1500 NOK (\$300), 10-minute play break after 1 consecutive hour, permanent exclusion	Machines have mandatory pre-commitment technology	All VLTs are connected to a central server	UNCERTAIN	Norsk Tipping	ACE Interactive
Sweden	Spelkortet	Pre-commitment card	Monetary limits, time limits, self-exclusion, information about money spent, and a self-assessment test	Mandatory limit setting for online poker, voluntary for all other types of gambling. Player-led	Device-based	Loyalty card linkage	Svenska Spel	UNCERTAIN

				limits as of 2009, not operator imposed				
<b>Victoria</b>	UNCERTAIN	Pre-commitment on machines	Player-set time and loss limits	Mandatory December 2015 for machines, voluntary for players	Magnetic strip cards, separate card reader & displays, kiosk, online registration, loyalty scheme linkage	Loyalty scheme linkage	UNCERTAIN	INTRALOT Gaming Services Pty Ltd
<b>Victoria</b>	Play Safe Limits	Pre-commitment available to Crown Signature Club members	Pre-commitment on gaming machines and fully automated table games. Daily time, loss, and spend limits, annual spend limits	Voluntary for operators and players	Magnetic card, home-based data storage	Loyalty card linkage (points paused on exceeding set limits)	Crown Melbourne and Crown Perth	UNCERTAIN
<b>South Australia</b>	Playsmart	Pre-commitment system operating in conjunction with Jackpot card, EGM loyalty scheme	Monetary and time limits (daily, weekly, monthly)	Voluntary for operators and players	Area networked	Loyalty card linkage	UNCERTAIN	WorldSmart Tech
<b>South Australia</b>	Maxetag	Budget setting feature added to existing Maxetag loyalty system	Monetary, budgets (daily)	Voluntary for operators and players	Electronic tag, separate console on EGM, kiosk, central monitoring system	UNCERTAIN	UNCERTAIN	Global Gaming Industries
<b>South Australia</b>	Casino Regulations, 2013	Casino pre-commitment system operating in conjunction with loyalty scheme	Expenditure limit (daily or weekly) (default \$100/day)	Voluntary for operators and players	Loyalty scheme linkage, on screen or ancillary screen alerts, networking capabilities	Loyalty scheme linkage	UNCERTAIN	UNCERTAIN
<b>Queensland</b>	Simplay	EGM cashless gaming scheme including kiosk operated limit settings	Monetary and time limits (daily)	Voluntary for operators and players	Cashless membership card linkage, kiosk, PIN requirement, EGM screen display	Cashless membership card linkage; Simplay card and loyalty card are one in the same	UNCERTAIN	Maxgaming
<b>Queensland</b>	eBET/Odyssey	EGM card-based, cashless gaming with pre-commitment as an optional feature	Expenditure limit (daily, session)	Voluntary for operators and players	Magnetic cashless membership card linkage, balance display screen	Magnetic cashless membership card linkage	UNCERTAIN	Odyssey Gaming Limited/eBET Limited

## New Zealand

New Zealand offers perhaps the most comprehensive and current experience with limit-setting tools. Interviews were conducted with the regulator, the technology company that developed the limit-setting tools, and the gaming operator that implemented the system.

The introduction of the voluntary pre-commitment (VPC) module in both New Zealand Casinos was the result of collaboration among the regulator, gaming operator, and gaming technology company. New Zealand is one of the more strictly regulated gambling jurisdictions in the world. This includes prohibiting promotions or bonuses at the individual level. A compelling feature for gaming operators of the proposed Bally Executive Bonus Suite is its ability to provide bonusing to the individual player at the machine the individual is playing. In a negotiation with the regulator, the VPC module was exchanged for bonusing and implemented across New Zealand, SkyCity in Auckland and Christchurch, Wellington. The new regulatory standard ties pre-commitment to the promotion module of the gaming management system. The regulator viewed this as a cost-effective solution to balance commercial interests and trade off benefits.

Key aspects of the system include:

- Limit-setting is voluntary
- Integrated with loyalty card; loyalty card is optional for players
- Limits are tracked across multiple machines, even multiple machines played simultaneously by one player
- Casino chooses system. Separate software application is integrated with gaming management system. A display manager takes over part of the screen from the gaming application during limit-setting and other play management functions.

Limits can be set: at customer service, stand-alone kiosk, and on machine.

Limits by day, week, month include:

- Win/loss limits
- Amount of time
- Turnover, coin in (no players choose this)

Changes to limits: Lower limits take effect immediately; increases are delayed 24 hours.

Notifications are provided to players as they reach 60%, 90% and 100% of their limit.

Once they reach their limit: Players must acknowledge that they have reached limit; are disqualified from promotion, comps (complimentary items and services) and rewards; but can continue to play.

Tools were positioned as part of transparency and informed choice. Marketing and promotion was minimal. Some education materials were provided at the casino, focusing on how to use the tools, but not promoting their potential benefits. No incentives were offered.

Informants were not able to fully disclose cost but indicated it includes a per machine fee of \$100 for the VPC, maintenance, trend analysis maintenance fees, and customer support 24/7.

### Implementation issues

Informants from all three perspectives reported no major issues with implementation. Informants reported this is likely due to the fact that the regulation posited very specific guidelines regarding limit-setting which made it easier to build to specifications in New Zealand than in markets where requirements are not well defined. Issues were noted, however, with regard to customer understanding of the tools. They undertook the following modifications to address these issues: improving the screen display, messaging and button location, extending access from kiosk-only to customer service and on machine, and increasing communication efforts, including staff training.

Overall, based on their experience, informants found the following features to be the most important aspects of a successful system:

- Positive positioning: Convince players this is a good tool for self-management.
- Ease of access: Make it as easy as possible and comfortable for people to register.
- Simplicity: Roll out product first with most simple limits to let customers get used to it.
- Cultural sensitivity: Consider and adapt to the cultural/language needs of the population. For example, the New Zealand system over-estimated English language literacy and cultural differences. In response, the operator added Chinese to the on-screen display, produced materials in multiple languages, and developed messages to address cultural differences in order to increase uptake among Asian players.
- Maximizing uptake: Low uptake is partly due to the stigma of the tool being positioned as targeted to people who have control issues. Address stigma by positioning for the broad player population and ensuring privacy in limit setting, e.g., screen visibility from other players.
- Incentives: Consider the capacity to provide loyalty points for using tools. This would entail a simple technological addition to the existing module and could include points for maintaining limits.
- Marketing: Use multiple forms of communication and marketing including direct mail to card holders, ambassadors on the floor to help understand tools, and dummy machines to show the new product and how it works.
- Staff training: It is imperative to get staff invested in proactively discussing limit-setting with players in casual conversation. Provide staff with information needed to teach and present.
- Machine reminders: Notifications should be casual and non-threatening, similar to a cake timer or message on a child's Playstation. Ask: "Is there a time you want to be gone by today?"
- System reporting: Improve the system reporting functionality to meet information needs of casino staff.

Although systems may be capable of tracking limits across multiple properties, some informants recommended limits apply to a single property. Tracking across multiple properties sets up a challenging dynamic that may compromise competition, and introduce some technological issues if platforms or player card formats differ.

## Nova Scotia, Canada

The history of limit-setting tools in Nova Scotia is perhaps the richest source of lessons learned. Aside from the loss limits established in the lone U.S. State of Missouri from 1994 to 2008, Nova Scotia, Canada was the pioneer of limit-setting and other play management tools. According to informants in this Province, relentless political pressures and frequent policy changes over the course of several years strongly impacted the implementation of these tools. In political debate and public discussion, the Video Lottery Terminals (VLTs) located in hospitality venues were identified as the source of highest revenue and strongest association with gambling problems – making them controversial. As a result, limit-setting and other play management tools were directed at these machines; casinos in the cities of Halifax and Sydney were exempt.

A 2005 Responsible Gaming Strategy included a card-based system for player information and limit-setting tools. The system was piloted in a medium-sized community that was geographically distinct and had representative population characteristics. The pilot was changed from voluntary to mandatory in response to low uptake. Resistance to mandatory use during the pilot resulted in a decrease in revenue and increase in customers travelling to the nearest First Nations Casino.

In 2007, the government announced that the pilot would be expanded to a full provincial roll-out to all VLT venues. Back system development of the technology was lengthy and complex for use with five different VLT vendors and terminal types. The technology was built from scratch by a local firm that eventually proposed a small touchscreen with card swipe technology on each machine.

Under the system, called “My Play,” players could choose to access features using their player card: (a) account summary with information on spending per day, month and year; (b) summary of wins and losses for current playing sessions; (c) options to set time and money limits; and (d) self-exclusion or access limit-setting.

In 2010, the program was launched as voluntary for players to use. A 2011 Responsible Gaming Strategy called for the program to be made mandatory. In April 2012, the Responsible Gaming Device (RGD) and compulsory player card were integrated into VLT play. At this point earlier signs of concerns and resistance fully manifested themselves. These included:

- 17% decline in revenue;
- Player concerns regarding the privacy of personal information being collected;
- Players’ mistrust of Government surveillance of gambling expenditure, believing
  - o this information would imperil their eligibility for government income programs (employment insurance, social assistance) and/or
  - o government would use the data to identify problem gamblers and send information to their homes where their partners and families could see it.
- Players’ myths, including beliefs that payouts were adjusted within play sessions of individual players. Players reported changing cards frequently to make the machine think it was a new player and “beat” the payout tables;

- Retailer concerns over business profits. Many shared their financial statements with the gaming operator and government officials that clearly showed they would not be able to stay in business without VLT revenue. Many jobs were at risk in an already depressed economy.

"Light enrollment" was introduced in response to the concerns. With light enrollment the player did not have to register any personal information and could use as many player cards as they wished. This led to further problems. With full enrollment, players could continue to access their play history if the card were lost or they forgot their PIN, but not with light enrollment. However full enrollment dropped to almost zero; 99.9% used light enrollment. Initially 25,000 cards were used per week from a total player base of 100,000. After six months, 1,000,000 cards were used; by the end of the third year 2.4 million cards had been used. In some cases, retailers were making several light enrollment cards available with the PIN numbers written on them with black marker.

The program was withdrawn in September 2014. The reasons cited for the withdrawal included low usage and multiple card usage by individual players. Other reports indicate that usage correlated to a \$47.5 million decline in VLT revenue between 2012 and 2014 and a proportion of high frequency gamblers found the features useful. Research commissioned to evaluate the effectiveness of the system was severely hampered by the policy changes and delays between announcement and implementation of these changes. The system was expensive to implement (approximately \$15M) and to operate (\$4M) annually. It involved a separate back end system and hardware.

Though the outcome was very different, informants from Nova Scotia echoed many of the same suggestions as New Zealand for the development and maintenance of a successful limit-setting system:

- Strategic planning and implementation: Ensure consistent conceptualization, implementation and evaluation of the system.
- Positive positioning: Avoid stigma and reduce resistance by positioning the system as a benefit. Positioning limit-setting as a responsible gambling tool led players to believe it was not for them. They must recognize the value for all players.
- Integrating with loyalty program: Integrate the system with the casino loyalty program with similar benefits and incentives for use. Players need to see value in the program.
- Easing access: Provide main screen to access "player service windows."
- Offering multiple opportunities to set limits: Ensure players who decline to set limits understand what they are saying 'no' to, and, after a certain number of visits or other threshold, ask them again if they would like to set limits.
- Simplifying: Keep the system very simple with defaults for dollar amount and favored daily limits. Avoid giving too many options.
- Player testing: Anticipate the skepticism, especially with new technology, and make sure everything is done right and pre-tested before implementation.
- Marketing: Do a better job than in Nova Scotia of communicating.

A final note, Nova Scotia is part of the Atlantic Lottery Corporation (ALC). The remaining members of ALC (provinces of New Brunswick, Newfoundland and Labrador, Prince Edward Island) have benefitted from the Nova Scotia experience and the advances in technological solutions; they are implementing the GTech voluntary pre-commitment system (\$50,000 annual licensing fee) in 2014. Nova Scotia considers the availability of play management tools, including limit-setting, to be an industry best practice, and will continue to monitor available solutions.

A second Canadian Province, British Columbia has announced they will be launching the Bally Executive Bonus Suite with the Voluntary Pre-Commitment module in early 2015. They will be positioning the limit-setting system as budgetary tools for all players.

## Norway

Electronic gaming machines (EGMs), once widely accessible in Norway, were banned in 2007 in response to growing concerns over the relationship of EGMs to problem gambling. In 2009, new video lottery terminals (VLTs) were introduced in the country under the governmental operation of Norsk Tipping. The VLTs, connected to a central server, offered several harm reduction features: (a) bet and spending limits; (b) mandatory breaks in play; (c) smaller prizes; (d) no autoplay, and (e) self-exclusion options. Players were required to register for a mandatory player card with a chip rather than cash, encrypted with age, gender, address and phone number. The card stores play history including the games played, number of tickets purchased over a specific time frame with date and location of the purchase and outcome of the wager. In addition features, Machines are shut down at night.

VLTs are of two types: Multix machines at kiosks and Belago machines on bingo premises. There are some differences in responsible gambling features between the two types of machines. Belago machines feature higher maximum prizes, jackpots, higher mandatory and personal loss limits, and short breaks in play (30 seconds after 1 hour of play). In contrast, on Multix machines personal loss limits are voluntary and mandatory play breaks after one hour are 10 minutes in duration.

There is very limited data evaluating the effect the initial ban and the introduction of more restrictive machines have had on problem gambling. A follow-up study by SINTEF (2009) following the reintroduction of Multix machines found that 58% of those surveyed indicated they gambled less than they did prior to 2007 ban; 49% indicated this was due to the ban on slot machines, although only 6% indicated they were abstinent. Overall, industry statistics indicate that less money was wagered on the new machines than on previous EGMs. For example, from 2005 to 2011, Norsk Tipping reported an 82% reduction in sales/revenue, a 79% reduction in the number of players, and an 86% reduction in the number of machines. Despite the reported success of the program, there have been challenges reported with the player cards involving money transfers and card swapping.

## Sweden

Sweden introduced responsible gambling features on their “Vegas” brand of EGMs. Operated by the state-owned gambling company Svenska Spel, the features are introduced through a

player card and include: (a) time and spending limits; (b) self-exclusion; (c) spending reports; and (d) a problem gambling self-test. Initially, the registration and card program was originally intended to be voluntary. Players were able to set their own spending limits with no ceiling on expenditures or losses. Players could choose to access the full complement of games by using the card, or play basic games only without the card. Ostensibly, players could exhaust their play using the card then switch to basic games to continue gambling. The rationale for this was that the more feature-rich and higher-risk games required registration and the card for access.

Six months after introducing the voluntary system, Sweden moved to mandatory registration, such that all players must register a single unique player card using government-issued identification to play EGMs. Players must set limits on time and money, but the limits themselves are voluntary. The retailer is responsible for initial set up with customer.

Under the system, decreases in spending limits take effect immediately but players must wait 24 hours to increase limits. Players with monthly limits are required to wait 30 days for increases to take effect. When players reach their limits, they are informed and the machine logs them out, indicating they cannot play until the next time period.

This change from voluntary to mandatory has made it more difficult to evaluate the system. According to informant interviews, the mandatory system has met with much customer resistance, such as:

- Thinking government wanted to control them;
- Believing the new technology for registration and limit setting gives the gaming operator a greater chance to manipulate the machines;
- Believing data on gambling expenditures and wins was being sent to the tax office.

Some misuse has been detected: family members using each other's cards, retailers with extra cards readily available. In response, operators have instituted changes including extensive education, staff training and the use of "ambassadors" to train retailers.

Implementation challenges included:

- The need to change the gaming management system to offer the limit setting and play management tools;
- Over-expectations of the technology during roll-out;
- Breaks of time during the roll-out to educate retailers
- Under-estimating the time needed for player and retailer education.

According to informant interviews, successful launch of limit-setting and play management tools should include:

- Player testing: Dedicate a great deal of time to player testing to develop a better understanding of how to talk to the customer.
- Marketing: Extensive communication to address why the system is good for the player.
- Simplifying: People are more suspicious of what they don't understand.



- Making it friendly: Provide an engaging customer interface that avoids a "government look."
- Adjusting to unexpected outcomes: Provide a longer time for players to make decisions on limit-setting and other features. The system was initially set up to automatically log the player out after 30 seconds of inactivity – this was to counter the myth that a machine is "hot." Contrary to literature that suggests breaks in play are good for a player, operators found that people habituated to the forced log out, stayed longer at the machine, and developed tolerance for longer play instead of taking breaks.
- Planning for evaluation: Develop a strategy for data analysis before implementation; and continuously evaluate the system to maximize the experience for the player.
- Providing convenient access: Consider adding website capability to set limits instead of on-site. Sweden's system now also includes the ability to activate PLAYSTOP and exclude for 1 day to 1 year.

## Australia

In 2008, the Rudd Government commissioned the Productivity Commission to report on problem gambling. Released in June 2010, the report focused primarily on the broad implications of problem gambling as well as harm-reduction strategies; one chapter focused on limit-setting strategies and recommended that each state and territory implement jurisdictionally-based full limit-setting system for gaming machines by 2016.

The Commission suggested that systems should:

- Facilitate voluntarily limit-setting which, at minimum, features a spending limit that is not subsequently subject to revocation for a set period;
- Allow players to see their transaction history;
- Encourage gamblers to play within safe spending and time limits, by specifying default limits;
- Include the option for gamblers to decline to set limits, but periodically check to ensure this remains their preference;
- Allow occasional gamblers to stake small amounts outside the system;
- Include measures to avoid identity fraud;
- Ensure players' privacy;
- Be simple enough for gamblers to understand and use;
- Present few obstacles to future innovation in the presentation and design of the system; and
- Apply to all gaming machines in all venues in a jurisdiction, with an exemption until 2018 for venues with less than 10 machines.

The Productivity Commission also stressed that the success of the system would depend, in part, on whether:

- Limits were set on an opt-out or opt-in basis;
- Gamblers were required to use a card;
- People experiencing problems controlling their gambling elected to use limit-setting while those without problems continued to gamble without limit-setting;
- People became familiar with the technology.

Following the election in 2010, the Gillard Government committed to implementing the full limit-setting scheme. In 2012, the National Gambling Reform Act 2012 was passed, requiring gaming machines to have a voluntary limit-setting system that allows a player to register and set a loss limit during a prescribed time period. Most venues are required to have this scheme in place by the end of 2018, with smaller venues (less than 20 EGMs) allowed until 2022 to comply.

In preparation, some Australian States have piloted a variety of limit-setting tools, described below.

### Australia – Victoria

Victoria is the first jurisdiction to introduce a state-wide voluntary networked limit-setting system due to be functional by 2015. The system will be provided by Intralot Gaming Services Pty Ltd, which monitors EGMs in Victoria. In an effort to reduce stigma associated with a limit-setting card, the system will use the same card, card reader, display screen and kiosk for both loyalty and limit-setting. There is a penalty for advertising or sending gambling promotional material to those who have been suspended or removed from the loyalty scheme.

### Australia – South Australia

In 2008, Worldsmart Technology Pty Ltd. added the PlaySmart limit-setting system to the existing J-Card loyalty scheme. Several trials were conducted from 2008 to 2009, involving six hotel venues, though gamblers could use their cards at any of the 64 venues using the J-Card loyalty scheme. Participation in the trial was voluntary and required players to opt in by inserting their J-card into the card reader when they played a gaming machine in any of the venues. Among options, players could set spending limits, time limits, breaks-in-play, and they received reminder prompts when limits were reached. Less than 1% of card holders used the system, in part because the system was not effectively marketed, featured an opt-in system, and had no recruitment efforts or incentives. Drawbacks of the system noted by the players were that they were unaware of the full range of features, never noticed the reminder message, misunderstood the PlaySmart application form and brochure, and were confused by the volume and range of options.

A second trial in South Australia involved smaller venues without an in-house loyalty scheme or player card. Players were actually given paper cards and pens to record their limits prior to the gambling session. At the end of their gambling session they had to take the card to customer service to have the amount they had gambled recorded on the card. However customer service was only able to record play at a single machine per session, even if players changed machines during their session of play. Uptake was very low, less than anticipated, despite a \$20 sign-up incentive. Players reported disliking having to carry the bulky card with them, disliking having to fill it in, forgetting to fill it in. Limits averaged \$50 per session and players did report finding it easy to understand.

The 2013 casino regulations in South Australia include specific procedures and requirements for limit-setting. If venues wish to provide a loyalty system, they must implement pre-commitment and integrate it with the loyalty system. All venues must have a loyalty system and voluntary pre-commitment in place by 2017, with time needed for smaller venues to comply. All individuals who apply for registration with the limit-setting system are informed of the privacy protection; application of a default daily expenditure limit if the player fails to set a limit; the consequences if the registered customer exceeds the expenditure limit (e.g. system will monitor play data and send reminder message at 90% of expenditure then notify casino staff when the limit has been reached or exceeded). The default limit on daily expenditures is \$100. If a gambler wishes to lower the limit, the restriction will apply immediately upon application; however, applications to raise the limit are subject to a 24 hour waiting period.

The system offers additional requirements and safeguards, including:

- Providing a registered player with a periodic activity statement every six months by the player's preferred communication method if the player is active in the venue during that period;
- Allowing the player to access an on-demand activity statement for the current session of play, the previous month of play, or any period up to the previous six months of play; the statement must contain the total amount spent during that period and the net amount won/lost during that period.

The most important features of a successful system, according to informant interviews are:

- Increased staff education to promote and be comfortable promoting the system.
- Ease of access and use; written cards required too many steps
- Provision of incentives such as loyalty points for use. Players should stop collecting loyalty points when limits are reached.
- Possibly engaging small groups such as social clubs involved in promotion.

### Australia – Queensland

In 2005, Queensland piloted limit-setting card-based technology and findings were similar to those in other jurisdictions.

The study found:

- There were too many limit-setting options that confused players;
- Success depended in large part on a user-friendly limit-setting system and simple sign-up process;
- Staff needed to be knowledgeable about and supportive of the process.

As with South Australia, there was low participation in the trial, with only 13% to 28% of participants setting daily spending limits. At one venue, participants who set limits reported a 40% reduction in spending compared to those who did not set limits. Overall, there was general support for voluntary limit-setting. Following the trials the SIMPLAY system was installed in Queensland and is operational in 49 venues.

## Discussion

The aim of limit-setting is to empower individuals to set spending limits that anticipate possible lapses in future self-control. Examples outside the gambling arena include establishing Christmas spending accounts, opting for a budgeted utility service plan, and buying insurance policies. Applying economic theory to gambling behavior, the objective should be two-fold: (a) sustaining recreational gambling by establishing feasible parameters on recreation; and (b) to reduce or eliminate the regret arising from periodic or progressive loss of control that leads to negative consequences. Limit-setting is not intended solely for the problem or severely disordered gambler who has, arguably, long ago breached limits that would foster continued recreational play; however more severe gamblers may likewise find benefits in limit-setting.

Devising an effective limit-setting system requires clear, consistent implementation of a menu of options that is individually relevant and user friendly. To that end, the system should, first, identify all the baseline elements for choice and provide clear options for tailoring each element to individual needs. Second, the infrastructure for the system must collect information necessary for future outcome evaluations, and, finally, options for limit-setting should be accessible to gamblers from multiple entry points, confidential, easy to use, and understandable.

Cost is always a consideration when implementing new technology. The pioneers of limit setting programs paid higher costs to build new technology from scratch and retrofit both hardware and software to existing gaming management systems and a variety of machine vendor products and platforms. In response to increasing demand for limit-setting and play management programs, a number of technology vendors have developed platforms that are currently in use around the world. Gaming operators increasingly view this as an industry best practice. Fortunately the State of Massachusetts can benefit these earlier investments and advances in the refinement and affordability of the related technology. As noted by Paul Smith in British Columbia, the State of Massachusetts would benefit from selecting a vendor with an existing platform that can be customized to the needs of the State. Such a decision would not only have the benefit of reducing development costs, but also of allowing the State to base modifications, at least in part on the wisdom of other jurisdictions that have had time to note the strengths and weaknesses of their system.

The interviews that informed this report were conducted to gain a full understanding of the systems in existence globally as well as to find out what, in hindsight, operators and regulators would change or improve if they were redesigning their program. Informants highlighted a number of difficulties that Massachusetts could avoid with strategic planning. In addition, the interviews revealed that, to date, New Zealand had instituted the most efficient and well-conceptualized system in the world that could serve as a template for subsequent platforms. In contrast, the program in Nova Scotia was hampered by political challenges and pressures that make it difficult to evaluate its efficacy. Nevertheless, program challenges and hindsight observations from Nova Scotia can inform development of future programs.

Stakeholder interviews in jurisdictions that have adopted limit-setting have identified a number of key considerations, described below.

First, several administrators emphasized the need to develop a systematic training for operator employees, ideally integrated with new employee training, that educates them on all the options in the limit-setting system and how a player could benefit from the system. Some venues also provide "ambassadors" who are tasked specifically with helping players with limit-setting features. Informants emphasized the need to have an education and training protocol in place before the launch, ideally coinciding with the opening of the casinos.

Second, a key factor that distinguished the more successful programs was the integration of limit-setting with the loyalty card. Ideally, players should perceive limit-setting as a benefit of the card; they should be encouraged to choose the options that are best for them, knowing that they will accrue points for adhering to limits at the same rate as they would for spending. For example, one informant explained that limiting-setting could be incentivized as part of Bally's Executive Bonus Suite, which facilitates highly targeted marketing at the machine level; free dinners, rooms etc. could be offered to those who consistently set and adhere to limits as well as those who spend large amounts.

Third, it is important to invest in developing a user-friendly interface, which explains options in a simple way that is easy to understand irrespective of demographics. Instructions might include pictures or graphics and should include a limited range of options versus an exhaustive menu. Informants stressed the importance of allowing sufficient time for player testing before implementation. Ideally, each account would start with default settings, analogous to default settings that are in place on Facebook or other web-based entertainment sites when a user signs up; the user, then, is encouraged to familiarize themselves with the options and either maintain the default or customize the settings to suit themselves.

Fourth, marketing strategies should include the marketing of limit-setting features in addition to incentives to play; marketing to players who have overspent their limits or self-excluded should be prohibited. Informants emphasized that marketing of limit-setting should be framed as empowering all players to take control of their spending and customize their experience rather than as a venue-imposed limitation or a tool for problem gamblers. For that reason, programs should use the term "limit-setting" rather than "pre-commitment," which historically bears a more negative connotation.

Fifth, prior to implementation, there should be a clear system in place for periodic evaluation that will yield information on: system limitations, demographics of players who use the system, and deficits in marketing the system to players. For example, at Sky City in New Zealand, the administration found that sending informational emails saying "Can we help?" to players who repeatedly breached limit-setting was a useful modification. Another effective strategy involved configuring the information display to remind players each half hour about how long they had been playing and how much money they had spent.

## Recommendations

### Primary Recommendation

The expert team recommends that the MGC Responsible Gaming Framework include play management tools that encourage players to set limits of time and money, and that support players in maintaining those limits.

Based on the evidence review, the program should be designed to specifically address two issues: uptake rates among players; and the effectiveness of the tools in supporting players to maintain the limits they set.

The detailed recommendations below are designed to address key considerations for the successful implementation of play management tools.

**Features to support increased up-take rates by players include:** positive positioning of the tools, strong education and marketing, integration with loyalty cards to ease access and reduce stigma, incentives to encourage continued use, default limits that require players to explicitly opt out rather than relying on players to opt in, multiple access points to meet the needs of those who want help and those who prefer privacy, and periodic checks with those who have opted out of setting limits.

**Features to support players in maintaining limits include:** a cooling off period for increases in limits to take effect, reminder messages as players approach limits, screen stop and forced acknowledgement that limits have been reached or exceeded, loyalty points for maintaining limits, prohibiting loyalty points or rewards of any kind for any gambling above limits, and provision of complementary play information tools.

### Detailed Recommendations

The play management tools should be:

1. Mandatory for gambling operators to offer on all electronic gaming machines, and voluntary for players to use
2. Targeted to all players
3. Positioned positively to support low-risk/recreational/ “positive play”
4. Supported by a strong program of education and marketing
5. Provided as “opt out” rather than “opt in” system
6. Developed with preset default limits that a player can change or remove (opt out of using the play management tools). These default limits would be based on scientific literature and gambling data

7. Flexibly designed to allow changes to limits, providing that decreases take effect immediately, and increases be subject to a cooling off period (24 hours is standard practice)
8. Developed to provide periodic checks to ensure opt-out remains the preference of gamblers who decline to set limits
9. Seamlessly integrated with Loyalty Card
10. Incentivized to set and maintain limits
11. Network-based at each gambling facility. Note: It is important that self-exclusion be coordinated across all MGC licensed venues. However, play management tools could be specific to individual venues, due to commercial considerations and the regional nature of the planned venues.
12. Accessible from multiple locations including: all gaming machines, customer service stations, self-serve kiosks, and Responsible Gaming Information Centers (RGICs) in the venue. Those who would like help with the tools can approach customer service, floor staff or staff of RGICs, while those who prefer privacy can use the kiosk or machine interface.
13. Responsive to reaching or exceeding limits in the following ways:
  - a. When a player reaches preset limits, the game ends and a new screen informs the player that he or she has reached limits. This screen provides persuasive messaging (e.g., the benefits of maintaining limits and risks of continued play). The player must actively acknowledge this message.
  - b. If player continues to play in excess of set limit, screen stops at prescribed time and spending intervals would build on earlier persuasive messaging (e.g., potential consequences of exceeding limits). Each time, the player would have to actively acknowledge the message,
  - c. Consequences for exceeding limits include foregoing any further loyalty points for play exceeding preset limits and any loyalty points that would be awarded for maintaining limits. This could form part of messaging to players who exceed limits.
14. Coordinated with complementary tools such as play information tools that provide patrons with access to: (a) cost of play messaging and monthly statements including total bets, wins, and losses; (b) a brief problem gambling self-assessment tool, (c) tips on keeping play manageable; (d) educational quizzes; and (e) information on how to access assistance.
15. Designed on a dynamic platform that provides for evaluation and continuous improvement

A more narrative description of the how recommended play management tools should work is provided below.

## Overview of Play Management Program

The research team recommends an opt-out system that is mandatory for all venues but that offers all players the option to voluntarily opt out of setting limits. The system would be network-based and programmed with default settings that empirical investigations have suggested are normative for low-risk/recreational/ “positive play” gamblers. Players could access play management features in a number of ways: on machines; at a self-service kiosk; at customer service; or by visiting the Responsible Gaming Information Centre in the venue.

The system should be seamlessly integrated with the loyalty cards, serving a dual purpose of providing incentives and responsible gambling features. The program should provide loyalty or bonus points for setting and adhering to preset limits. Most importantly, both the platform and employee education and training protocols should be in place before venues open, so that limit-setting is a seamless part of the venue experience from the beginning.

When players use their cards for the first time, they should receive a detailed message that indicates: (a) the venue and the State of Massachusetts are committed to ensuring that all players gamble responsibly; (b) accordingly, they have the option to set limits on a number of aspects of play to help manage their play; (c) the system has default settings for each option that they may change at any time; (d) once the player has set limits, decreases to the limits they have set will take effect immediately, but increases will be effective in 24-hours; and (e) players experiencing difficulties adhering to limits may access information on how to get help, including the voluntary self-exclusion program. Players would then be given the option to enter the settings screen to customize their preferences. Next, players would be informed of how to access additional play information tools that provide patrons with: cost of play messaging and monthly statements including total bets, wins, and losses; brief problem gambling self-assessment; tips on keeping play responsible; educational quizzes; and information on how to access assistance. It is recommended that the play information and management tools have a simple access point on the machine, a “RG button” that players can access at any time during play.

At the conclusion of the responsible gambling screens, the players would be thanked for gambling responsibly and reminded they can use the *RG button* at any time to access the Play Information and Management tools.

A program of education and marketing should be developed and implemented to position the tools as supporting low-risk/recreational/ “positive play.” This program could also introduce the notion of budget management to gamble within affordable limits. Education and marketing initiatives should be designed to facilitate maximum use of the tools. These efforts should: emphasize value; normalize use to reduce stigma; provided targeted bonuses to successful limit-setters as well as “high rollers,” and provide practical information and customer support to facilitate uptake and application. It is important that venue staff be trained to ensure promotion of the tools in the gaming venue. RGIC staff could also play a valuable role in educating players on the play management tools.



## Tools and Features

The on-screen button or access point on the machine should be clearly marked and easily accessible to players. This button would offer players ongoing access to the play management and complementary play information tools, and should include: (a) limit-setting settings; (b) brief gaming risk assessment; (c) spending reports; (d) self-exclusion; and (e) resources for help. Based on prior research in this area, it is advised that a “multiple choice” approach or one with a limited range of options be offered to the player to avoid confusion. Betting limits could be offered in increments with a lower and upper bound amount. Other limit-setting options could include time limits and net loss. Self-exclusion should be available on a range of timeframes.

As players approach their limits they should be provided with reminders, including a screen stop and persuasive warning message when they are close to limits (e.g., 60%, 80%, or 90% of their preset limits). In addition, players should be periodically informed (i.e., every 30 minutes) of about how long they’ve been playing and how much they’ve spent. Freezing play is important because studies have suggested that players either ignore or fail to see such warning messages when in the heat of play. Players will receive a further message when they reach their limits. This message will end the game and inform them that, should they continue play, they will not accumulate additional loyalty points or bonuses, including those they would have received if they maintained their limits.

## Role of Operators

The gaming industry has an important role to play to ensure that advertising, education and marketing consistently encourages players to set and maintain limits. This should include player incentives for making positive gaming choices.

Operators should be required to implement staff training on responsible gambling and ensure that all customer service representatives are fully trained on the use of the limit-setting platform. Ideally, the MGC could develop a standardized training program and require venues to implement the program unless the operator has already developed a rigorous training protocol that the MGC approves. Training should include education on problem gambling, limit setting, informed choice, self-exclusion, and state-sponsored resources for help.

## Outcome Assessment and Evaluations

Prior to implementation of the system, the Commission should devise a comprehensive plan to evaluate the effectiveness of the play management system, and inform continuous improvement. This should include analyzing the data and statistically determining patterns of play that could be indicative of problem gambling. To that end, the initial platform should include a list of variables and a clear analytic plan that includes the development, if possible, of an algorithm associated with problematic escalations in play. O’Neil and Delfabbro have suggested that the program should include detailed information on: exact expenditures per player; limits set; post-limit setting impacts on individual frequency and time spent gambling; shifts to other modes of gambling (expenditure switching); shifts to other jurisdictions; and use of limit-setting to support self-exclusion. We would add that the ability to capture information outlined in the Bally System (net loss, turnover, and player activity statements, history session

reports, and statistical reports) are also critical components to evaluating and enhancing a limit-setting system over time. The play management program should include a disclaimer that the MGC reserves the right to use de-identified data to inform further enhancements of the responsible gaming program and tools.

The recommendations represent: (a) the team's comprehensive knowledge of and contributions to the scientific evidence regarding limit-setting; (b) a review of several jurisdictions with direct experience with play management and limit-setting tools; and (c) the team's expert interpretation and advice.

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## Appendix A – Key Biographies

**Lia Nower, J.D., Ph.D.** is Professor and Director of the Center for Gambling Studies at Rutgers University. She is Co-Director of the Addiction Counselor Training Certificate Program and research affiliate with the Center of Alcohol Studies. Dr. Nower's research focuses on psychometric measurement, the etiology and treatment of behavioral addictions, specifically disordered gambling, and related policy issues. Dr. Nower has served as an NIH pre-doctoral fellow, a Fulbright fellow, and a research intern at the National Research Council at the National Academies. She currently serves as a co-editor, advisory board member or board member of several journals and a consultant and grant reviewer for international, national and state agencies. Dr. Nower is a member of the legislative board of and a clinical supervisor for the National Council on Problem Gambling. A former criminal prosecutor, she is a member of the Thomson-Reuters Expert Witness Services (TREWS) network and serves as a forensic consultant in state and federal court cases involving gambling-related crimes.

Dr. Nower has also co-authored several policy initiatives, including a model for self-exclusion programs and an industry framework promoting informed-choice in gambling venues. She co-edited *The Wiley-Blackwell Handbook of Disordered Gambling* (2013).

**Alex Blaszczyński BA, MA, Dip Psych, PhD, MAPS** is Professor of Clinical Psychology, and Director of the University of Sydney's Gambling Treatment Clinic and Research. He is also an associate of Strategic Science, and adjunct professor at the Centre for Gambling and Education Research, Southern Cross University.

Dr. Blaszczyński has evaluated randomized treatment outcomes studies using behavioural interventions, assessed the prevalence of depression and suicidality, determined the relationship between crime, gambling, and highlighted the role of impulsivity in pathological gamblers. He developed a conceptual pathways model explaining the aetiology of pathological gamblers, and has reviewed responsible gambling and harm minimisation strategies. He was chairman of the Working Party for the Australian Psychological Society and committee member of the Australian Medical Association's position papers on problem gambling. He is the editor-in-chief of *International Gambling Studies*.

Dr. Blaszczyński is widely recognized for his contributions to science receiving in 1995, the American Council of Problem Gambling Directors Award, in 2004, the National Centre for Responsible Gambling senior investigator's research award, in 2013, the NSW Government's Responsible Gambling Fund's excellence award, and in 2014 the National Council on Problem Gambling Lifetime Research Award.

**Judith Glynn, M.Sc.** has more than 25 years experience spanning public policy, scientific research, and marketing/communications, with 16 years dedicated to the gambling field. She sits on the Machines Research Oversight Panel for the Responsible Gambling Trust, is Advisor, Asian Pacific Association for Gambling Studies and Member, International Think Tank on Gambling Research, Policy and Practice. Judith's perspective of gambling is unique, having worked to market Ontario's gaming expansion in the 1990's before managing from start-up the world's largest problem gambling research fund. She is a natural collaborator, uniting researchers with industry, regulators, treatment agencies, and vulnerable populations including

women and aboriginal peoples. Judith is Principal, Strategic Science, providing social responsibility consulting in gambling, obesity and substance abuse.

**Karen Choi, Ph.D.**, received her doctorate in Social Psychology from the University of Waterloo, specializing in Cross-Cultural Psychology. She is highly experienced at teaching, designing and conducting quantitative and qualitative research using various methodologies and advanced data analysis techniques. She served as the primary source of problem gambling research and briefings for the Ontario Government. Karen oversaw high profile, policy-relevant research projects to increase treatment uptake among self-excluded gamblers, and to assess the impact of legal Internet gambling.

Karen's research includes treatment for concurrent addictions and anger among youth, tobacco use among youth, and alcohol harm reduction policy. She works to ensure that health research and policy take into consideration the specific risk and resilience factors of vulnerable populations, such as youth, women, and ethno-cultural communities. Karen is Principal, Strategic Science, providing social responsibility consulting in gambling, obesity and substance abuse.



TO: Members of the Massachusetts Gaming Commission

FROM: Mark Vander Linden, Director Research and Problem Gambling

DATE: October 21, 2014

RE: Estimated cost of play management tools

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### **Background**

The MGC Responsible Gaming Framework (RGF) was adopted by the Commission on September 25, 2014. Included in the RGF is a strategy to increase player awareness of their gaming choices through the use of voluntary play management tools on electronic gaming devices better known as slot machines or EGMs. Such tools are incorporated into player management software and gaming devices to enable players to more easily track their play, manage their gambling decisions, and obtain individualized play feedback. To date, this technology has been used in numerous jurisdictions but none in the United States.

### **Estimating Cost**

There are numerous reasons it is difficult to estimate the cost of implementing play management features including but not limited to 1) the number of slot machine positions in the establishment, 2) numerous configurations which the features can be applied, 3) stage of casino operation when implemented and 4) lack of precedent of use of pre-commitment technology within the United States. That said, I was able to obtain rough estimates from three companies offering an operator-based approach. All estimates are based on the assumptions that it would be installed in a new gaming establishment with 1,200 slot machines

#### **Bally Technologies**

To install play management or pre-commitment features on 1,200 slot machines, Tom Doyle, Bally Tech., VP of Product Management estimates the an initial cost of \$170,000 to \$220,000 and approximately \$24,000 annually for maintenance and upgrades. This cost includes a per-machine price of \$100 and \$50,000 to \$100,000 for development and testing. This cost does not include the cost of kiosks for players to use to activate the play management features.

#### **Aristocrat Technologies, Inc.**

To install play management or pre-commitment features on 1,200 machines at a new gaming establishment, Collin Korich, Aristocrat Tech. VP of Product Compliance estimates an initial cost of \$350,000. This cost includes a per machine price of \$250 and \$50,000 in development and testing.

#### **Playscan**

Playscan is program implemented on the casino management system and cost estimate would apply to an unlimited number of EGMs at a gaming establishment. Mark Knighton, Playscan CSO, estimates an initial installation cost of \$80,000 and annual license fee of \$210,000.



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION

UNIFORM STANDARDS OF ACCOUNTING PROCEDURES AND INTERNAL CONTROLS

- 138.40: Procedure for acceptance of checks, cash equivalents and credit/debit cards; issuance of counter checks or slot counter checks
- 138.41: Redemption, substitution, and consolidation of counter checks or slot counter checks at the cashier's cage; redemption of counter checks at a gaming table
- 138.42 Acceptance of payments toward outstanding patron checks
- 138.43: Procedures for establishing patron credit accounts, and recording checks exchanged, redeemed or consolidated
- 138.44: Patron request for suspension of credit privileges
- 138.45: Procedure for depositing checks received from gaming patrons
- 138.46: Procedure for collecting and recording checks returned to the gaming establishment after deposit
- 138.47 Automated Teller Machines (ATM)

138.40: Procedure for acceptance of checks, cash equivalents and credit/debit cards; issuance of counter checks or slot counter checks

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures relative to the acceptance of checks and cash equivalents presented by patrons, and the issuance of counter checks or slot counter checks to patrons for gaming purposes. These policies and procedures shall include, but not be limited to:

- (1) The specific locations in the gaming establishment where patron deposits may be received;
- (2) The specific form of deposits that will be accepted including cash, personal checks, certified checks and traveler's checks. Provided, procedures shall be included to ensure that the gaming licensee does not accept or cash government-issued checks or third party checks;
- (3) Identification requirements at such time that a patron deposits funds, including controls in place to assure that any cash received on deposit is done so in accordance with required currency transaction reporting and anti-money laundering criteria;
- (4) The permitted uses of funds placed on deposit to include, but not be limited to, in exchange for chips, tokens or other forms of gaming value, to establish a deposit account against which future draws may be made, as payment towards outstanding counter checks;
- (5) Procedures to refund any balance in a patron's deposit account at such time that it is requested;
- (6) Specific procedures for the issuance of counter checks against the patron's deposit account, to include patron identification requirements, and documentation and accountability requirements to request a counter check, issue the counter check (whether at the main cage,

gaming table or such other approved location), and post the counter check transaction to the patron's account and the gaming licensee's books of account;

- (7) Specific procedures for the issuance of slot counter checks, if said procedures differ in any material way from the procedures to issue counter checks for table game purposes, to include the same information set forth in 205 CMR 138.40(6).
- (8) Documentation and accountability requirements up to and including the transfer of completed documents to the accounting department;
- (9) Procedures to ensure that any credit card or automated teller machine operating in the gaming establishment not allow a patron to obtain cash from a government-issued electronic benefits transfer card; and,
- (10) Procedures to ensure that credit card cash transactions and debit card cash transactions are not permitted in the gaming area.

138.41: Redemption, substitution, and consolidation of counter checks or slot counter checks at the cashier's cage; redemption of counter checks at a gaming table

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures relative to the redemption, substitution, and consolidation of counter checks and/or slot counter checks that contain, at a minimum, provisions for the following:

- (1) A listing of the locations in the gaming area at which redemptions may occur, and a listing of the types of cash and cash equivalents that may be accepted in redemption of a counter check;
- (2) A distinction between full redemptions and partial redemptions;
- (3) Detailed procedures to:
  - (a) Process and complete redemptions, substitutions, and consolidations;
  - (b) Verify the patron's identification at the time of completing a redemption;
  - (c) Complete the appropriate forms used to record the redemption, including the specific information contained on said form(s) and the form(s) signature requirements so as to assign responsibility and accountability over the redemption transaction; and
  - (d) Transfer the appropriate documents to the accounting department (or such other department) for accounting purposes.
- (4) A description of permitted redemptions, in full or in part, when made by a third-party other than the gaming patron; and
- (5) A description of the type of checks that may be accepted in substitution of a counter check;

138.42 Acceptance of payments toward outstanding patron checks

- (1) A gaming licensee may, in its discretion, permit the drawer of an undeposited patron check or any person acting for the benefit of such drawer to deposit cash, cash equivalents,



casino checks, slot tokens, gaming chips or gaming plaques with a general cashier for the purpose of having such payment applied to the total or partial redemption of the patron check by the drawer.

- (2) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures relative to the acceptance of payments pursuant to 205 CMR 138.42(1) which shall, at a minimum, provide for:
  - (a) A method of documenting or recording the receipt of each such payment, which method shall include, without limitation, the following:
    - (1) The names of the drawer and the person making the payment;
    - (2) All significant details concerning the transaction;
    - (3) The signatures of the person making the payment and the general cashier accepting the payment; and
    - (4) The issuance of a receipt to the person making the payment;
  - (b) The maintenance of the general cashier's imprest inventory; and
  - (c) The notation in the drawer's credit account of the receipt of the payment.
- (3) If any payments received by a gaming licensee pursuant to the procedure referenced in 205 CMR 138.42(2) entitle the drawer of a patron check to redeem the original patron check in its entirety, or if any such payments received in conjunction with the submission of a new patron check by the drawer in a lesser amount entitle the drawer of a patron check to redeem the original patron check in part, the gaming licensee shall return the original patron check to the drawer.
- (4) If the drawer of a patron check fails to redeem it prior to the date on which the patron check must be deposited in accordance with the policy or procedure implemented in accordance with 205 CMR 138.45, the gaming licensee shall deposit the patron check regardless whether any payment has been received. The gaming licensee, after timely depositing the patron check and allowing a commercially reasonable time for the patron check to clear, shall apply any payments received in accordance with priorities established in the system of internal controls submitted by a gaming licensee in accordance with 205 CMR

138.02 .

- (5) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall provide policies and procedures for cash deposit accounts if they will be utilized by the gaming licensee.
- (6) If a patron check is dishonored by the drawer's bank upon presentation for payment and returned to the gaming licensee, any payments received, including payments that have been transferred to a patron cash deposit account pursuant to 205 CMR 138.42(5), that have not been returned to the drawer shall be used to reduce the amount to be collected from the drawer or to be deemed uncollectible pursuant to the provisions of these regulations.
- (7) No junket representative, junket enterprise or employee or agent of a junket enterprise shall, and no gaming licensee or employee or agent of a gaming licensee shall make a payment for the benefit of the drawer of a patron check.

138.43: Procedures for establishing patron credit accounts, and recording checks exchanged, redeemed or consolidated

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a description of its policies and procedures governing the issuance of credit to a patron to take part in gaming activity at its gaming establishment. A gaming licensee's policies and procedures governing the issuance of credit shall ensure at a minimum that:
  - (a) Prior to issuing credit to a patron the creditworthiness of the patron is established in the context of their ability to repay the amount of credit requested or to be extended; and
  - (b) Credit is not extended to an individual in an amount beyond that which the information reviewed demonstrates that they have a reasonable ability to repay;
  - (c) Credit will only be extended to patrons who qualify for a minimum threshold of \$10,000.00 and will not exceed the amount requested by the patron;
  - (d) Credit will not be offered to any individual who self-identifies as a problem gambler, places themselves on a voluntary credit suspension list in accordance with 205 CMR 138.44, or is on public assistance;
  - (e) Credit requests, including extensions, will not be accepted from or granted to patrons who are visibly intoxicated or exhibiting behaviors suggestive of impaired mental competency;
  - (f) Credit applications will include a problem gambling self-assessment; and
  - (g) Credit officers will obtain verbal verification from credit applicants that they are comfortable losing up to the amount of credit requested and granted.
- (2) In addition to the provisions required in accordance with 205 CMR 138.43(1), the policies and procedures governing the issuance of credit shall contain provisions including, but not limited to, the following:

(a) The creation of a credit file for each patron shall be prepared by a general cage cashier or credit department representative with no incompatible functions either manually or by computer prior to the gaming licensee's approval of a patron's credit limit. All patron credit limits and changes thereto shall be supported by the information contained in the credit file. Such file shall contain a credit application form upon which shall record, at a minimum, the following information provided by the patron:

- (1) The patron's name;
- (2) The address of the patron's residence;
- (3) The telephone number at the patron's residence;
- (4) Banking information including:
  - (a) The name and location of the patron's bank; and
  - (b) The account number of the patron's personal checking account upon which the patron is individually authorized to draw and upon which all Counter Checks, Slot Counter Checks and all checks used for substitution, redemption or consolidation will be drawn. Checking accounts of sole proprietorships shall be considered as personal checking accounts. Partnership or corporate checking accounts shall not be considered personal checking accounts.
- (5) The credit limit requested by the patron;
- (6) The approximate amount of all other outstanding indebtedness;
- (7) The amount and source of income and assets in support of the requested credit limit; and
- (8) The patron's signature indicating acknowledgement of the following statement, which shall be included at the bottom of every credit application form containing the information required to be submitted by the patron pursuant to this subsection:  
"I certify that I have reviewed all of the information provided above and that it is true and accurate. I authorize (insert the name of the gaming licensee) to conduct such investigations pertaining to the above information as it deems necessary for the approval of my credit limit. I am aware that this application is required to be prepared in accordance with Massachusetts Gaming Commission regulations and I may be subject to civil or criminal liability if any material information provided by

me is willfully false."

(9) Prior to processing a gaming patron's credit application, a gaming licensee shall clearly and conspicuously provide the patron with the following disclosures on a piece of paper separate and apart from the credit application and any related documents; provided that each statement shall be separately signed, dated, and acknowledged by said patron. Upon signing said disclosures, a copy shall be provided to the gaming patron.

(a) *"You are receiving a credit extension from [name of licensee], facilitated through a personal check or 'marker' on your bank account. If you fail to repay [name of licensee] by the date specified in this agreement, [name of licensee] will attempt to recover this amount from your bank account. If there are insufficient funds in your account, [name of licensee] may initiate debt collection proceedings against you. Failure to timely repay your debt to [name of licensee] may result in criminal and/or civil legal consequences, and will likely have a negative effect on your credit."*

(b) *"If you are concerned that you may have difficulty managing your gambling, or wish for any reason to exclude yourself from receiving credit from a gaming establishment in Massachusetts, you may add yourself to the gaming credit suspension list. Massachusetts gaming establishments are prohibited from providing credit to individuals appearing on this list. To sign up for the list, please visit [www.massgaming.com/selfexclusion](http://www.massgaming.com/selfexclusion) or call [toll-free number]."*

(b) Recording by a general cage cashier or credit department representative of the information required in accordance with 205 CMR 138.43 in the credit file prior to the gaming licensee's approval of a patron's credit limit.

(c) Prior to the gaming licensee's approval of the patron's credit limit, a general cage cashier or credit department representative with no ability to grant credit or credit limit increases shall:

(1) Verify the address of the patron's residence;

(2) Verify the patron's current gaming credit limits and outstanding balances which shall include the following:

(a) The date the patron's credit account(s) was established;

(b) The amount of the current approved credit limit at each casino or gaming establishment; and

(c) The current balance and status of the patron's credit account at each gaming establishment including checks deposited by gaming licensees that have

not yet cleared the bank and derogatory information;

- (3) Verify the patron's outstanding indebtedness;
- (4) Verify the patron's personal checking account information which shall include, but not be limited to, the following:
  - (a) Type of account (personal or sole proprietorship);
  - (b) Account number;
  - (c) Date the account was opened;
  - (d) Average balance of the account for the last twelve months, if available (if this information is not available, this shall be noted in the credit file);
  - (e) Current balance in the account;
  - (f) Whether the patron can sign individually on the account; and
  - (g) Name and title of the person supplying the information; and
- (5) Verify that the patron's name is not designated on the list of individuals who have voluntarily requested suspension of credit privileges pursuant to 205 CMR 138.44 or placed their name on the voluntary self-exclusion list pursuant to 205 CMR 133.00.

(d) All verifications performed by a general cage cashier or the credit department in accordance with 205 CMR 138.43(2)(c) shall be recorded in the credit file and accompanied by the signature of the general cage cashier or credit department representative who performed the required verifications or filed the relevant information. The date and time of the signature of the general cage cashier or credit department representative shall be recorded either mechanically or manually contemporaneously with the transaction. The general cage cashier or gaming licensee's credit department shall fulfill the requirements of (c) above as follows:

- (1) Verification of the address of the patron's residence, as required by 205 CMR 138.43(2)(c)(1), shall be satisfied by confirming the patron's address with a credit bureau or bank. If neither of these sources has the patron's address on file or will not provide the information, the gaming licensee may use an alternative source which shall not include any identification credentials required in 205 CMR 138.43(2)(a) or other documentation presented by the patron at the gaming establishment. The gaming licensee shall record the source of verification and the

method by which such verification was performed in the patron's credit file.

Verification of the patron's address may be performed telephonically.

- (2) Verification of the patron's current casino credit limits and outstanding balances, as required by 205 CMR 138.43(2)(c)(2), shall be performed through a casino credit bureau and, if appropriate, through direct contact with other casinos. The gaming licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. If no casino credit information relating to the patron is available from these sources, this shall be noted in the patron's credit file. The verification may be performed telephonically prior to the credit approval provided the gaming licensee requests written documentation of all such information as soon as possible and includes such written documentation in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained.
- (3) Verification of the patron's outstanding indebtedness, as required by 205 CMR 138.43(2)(c)(3), shall be performed by contacting a consumer credit bureau which is reasonably likely to possess information concerning the patron, to the extent such consumer credit bureau is available, and a casino credit bureau to determine whether the applicant has any liabilities or if there is any derogatory information concerning the applicant's credit history. Such contact shall be considered a verification of the outstanding indebtedness provided by the patron. If such contact is not immediately possible, the gaming licensee may use an alternative source which has made the required contact. The gaming licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. If either one or both of these credit bureaus do not have information relating to a patron's outstanding indebtedness this shall be recorded in the patron's credit file. The verification may be performed telephonically prior to the credit approval provided the gaming licensee requests written documentation of all information obtained as soon as possible and includes such written documentation in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained.

(4) Verification of the patron's personal checking account information, as required by 205 CMR 138.43(2)(c)(4), shall be performed by the gaming licensee or a bank verification service directly with the patron's bank. A bank verification service utilized by a gaming licensee may make use of another bank verification service to make direct communication with the patron's bank. If such information is not immediately available, the gaming licensee may use an alternative source. The gaming licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. The verification may be performed telephonically prior to the credit approval provided the gaming licensee or bank verification service requests written documentation of all information obtained as soon as possible and such written documentation is included in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained. No bank verification service may be used by a gaming licensee or another bank verification service to perform the verifications required by this section unless the bank verification service has filed a completed application for an appropriate casino service industry license under the commissions regulations. If a bank verification service is used as a primary source of verification, either directly by a gaming licensee or by another bank verification service, each service and the licensee shall, in addition to complying with any other requirement imposed by this section, record the date that the patron's personal checking account information was obtained from the bank by the service.

(e) Any Massachusetts gaming licensee requesting information from another Massachusetts gaming licensee concerning a credit patron shall represent to the requested gaming licensee that the patron has a credit line or has applied for credit and shall provide the patron's name, address of the patron's residence and the name and location of the patron's bank. Upon receipt of this information, the requested Massachusetts gaming licensee shall be required to furnish to the requesting Massachusetts gaming licensee any information in its possession concerning a patron as required by 205 CMR 138.43(2)(c).

(f) The credit limit, and any changes thereto, must be approved by any one or more of the individuals holding the positions of credit manager, assistant credit manager, credit shift

manager, credit executive, or a key gaming employee in a direct reporting line above the gaming manager or credit manager, or a credit committee composed of key gaming employees which may approve credit as a group, but whose members may not approve credit individually unless such person is included in the job positions referenced above.

The approval shall be recorded in the credit file and shall include:

- (1) Any other information used to support the credit limit and any changes thereto, including the source of the information, if such information is not otherwise recorded pursuant to this section;
- (2) A brief summary of the key factors relied upon in approving or reducing the requested credit limit and any changes thereto;
- (3) The reason credit was approved if derogatory information was obtained during the verification process;
- (4) The signature, on the manual credit file, of the employee approving the credit limit together with the date and time of such authorization, which signature, date and time shall be recorded before any actual extension of credit; and
- (5) If a computerized credit file is utilized, the authorization code of the employee approving the credit limit together with the date and time of the activation in the system, which authorization code, date and time shall be recorded by the system before any actual extension of credit.

(g) Prior to approving a credit limit increase, a representative of the gaming licensee's credit department shall:

- (1) Obtain a written request from the patron which shall include:
  - (a) Date and time of the patron's request;
  - (b) Amount of credit limit increase requested by the patron; and
  - (c) Signature of the patron.
- (2) Verify the patron's current casino credit limits and outstanding balances, as required by 205 CMR 138.43(2)(c)(2) and 205 CMR 138.43(2)(c)(3), unless such verification has performed earlier that same gaming day;
- (3) Verify the patron's outstanding indebtedness as required by 205 CMR 138.43(2)(c)(3), unless such procedure has been performed within the previous 24 months;



- (4) Verify the patron's personal checking account information, as required by 205 CMR 138.43(2)(c)(4), unless such procedure has been performed within the previous 24 months;
- (5) Consider the patron's player rating based on a continuing evaluation of the amount and frequency of play subsequent to the patron's initial receipt of credit. The patron's player rating shall be readily available to representatives of the gaming licensee's credit department prior to their approving a patron's request for a credit limit increase.
- (6) For table game play, the information for the patron's player rating shall be recorded on a player rating form by gaming supervisors or put directly into the gaming licensee's computer system and shall include, but not be limited to, the following:
  - (a) Patron's name;
  - (b) Game and table number;
  - (c) Average bet;
  - (d) Approximate length of time played;
  - (e) Rating as determined by supervisor or approved computer system;
  - (f) Signature and license number of the gaming supervisor responsible for providing the patron's player rating information; and
  - (g) Date of observations.
- (7) For slot play, the information for the patron's player rating shall be recorded on a player rating form by slot department supervisors or, put directly into the gaming licensee's computer system or generated by insertion of a card by a patron into a card reader attached to a slot machine. Such ratings shall include, but not be limited to, the following:
  - (a) Patron's name;
  - (b) A designation indicating it is for slots;
  - (c) Rating as determined by supervisor or approved computer system;
  - (d) Signature and license number of the slot supervisor responsible for providing the patron's player rating information; if manually prepared; and
  - (e) Date of play.

- (8) Include the information and documentation required by 205 CMR 138.43(2)(g)(1) through (3) and the patron's player rating indicated at the time the credit increase is approved in the patron's credit file.
- (h) Credit limit increases may be approved without performing the requirements of 205 CMR 138.43(2)(g)(2) through (4) if the increases are temporary and are noted as being for this trip only in the credit file. Temporary increases shall be limited to one during any thirty day period and the amount of the temporary increase shall not exceed 25 percent of the currently approved credit limit.
- (i) The gaming licensee's credit department shall:
- (1) Comply with the requirements of either 205 CMR 138.43(2)(i)(2) or (3) whenever any derogatory information is received by a gaming licensee's credit department relating to the patron's continued creditworthiness other than a returned check subject to the provisions of 205 CMR 138.43(2)(j).
  - (2) Re-verify the patron's address, current casino credit limits, outstanding balances, outstanding indebtedness, and personal checking account information, as required by 205 CMR 138.43(2)(c)(1) through (4).
  - (3) Follow the procedures required by 205 CMR 138.43(2)(c)(1) through (4), before a patron's credit privileges are reinstated if the patron's credit privileges have been suspended.
  - (4) Verify the information required by 205 CMR 138.43(2)(a)(2) and (4), in accordance with the procedures in 205 CMR 138.43(2)(d) whenever the gaming licensee has reason to believe that this information has changed.
  - (5) Verify the patron's address, current casino credit limits and outstanding balances, outstanding indebtedness, personal check cashing information, confirm that the patron is not on the list of patrons who have requested suspension of their credit privileges, and confirm that the patron is not on the list of patrons who have placed themselves on the voluntary self-exclusion list, as required by 205 CMR 138.43(2)(c)(1) through (5) prior to the issuance of credit to a patron whose credit file has been inactive for a 12 month period.
- (j) All derogatory information concerning a patron's credit account shall be reported by each gaming licensee on a daily basis to a casino credit bureau used by Massachusetts gaming

licensees. Each Massachusetts gaming licensee shall request written documentation of any derogatory information pertaining to its patrons to be reported to that gaming licensee on a daily basis by a casino credit bureau used by Massachusetts gaming licensees. All documentation obtained from the casino credit bureau shall be maintained in the patron's credit file. Any gaming licensee desiring to continue the patron's credit privileges on the basis of a satisfactory explanation having been obtained for the returned check may do so if the gaming licensee records the explanation for its decision in the credit file before accepting any further checks from the patron along with the signature of the credit department supervisor accepting the explanation.

(k) All transactions affecting a patron's outstanding indebtedness to the gaming licensee shall be recorded in chronological order in the patron's credit file and credit transactions shall be segregated from the safekeeping deposit transactions. The following information shall be included:

- (1) The date, amount and check number of each Counter Check or Slot Counter Check initially accepted from the patron;
- (2) The date, amount and check number of each consolidation check and the check numbers of the checks returned to the patron;
- (3) The date, method, amount and check number of each redemption transaction and the check number of the check returned to the patron;
- (4) The date, amount and check number of each substitution transaction and the check number of the check returned to the patron;
- (5) The date, amount and check number of each check deposited;
- (6) The date, amount and check number of each check returned to the gaming licensee by the patron's bank and the reason for its return;
- (7) The outstanding balance after each transaction; and
- (8) The date, amount and check number of any checks which have been partially or completely written off by the gaming licensee and a brief explanation of the reason for such write off.

(l) A log of all Counter Checks and Slot Counter Checks exchanged and of all checks received for redemption, consolidation or substitution shall be prepared, manually or by computer, on a daily basis, by check cashiers and such log shall include, at a minimum, the

following:

- (1) The balance of the checks on hand in the cashiers cage at the beginning of each shift;
- (2) For checks initially accepted and for checks received for consolidation, redemption, or substitution:
  - (a) The date of the check;
  - (b) The name of the drawer of the check;
  - (c) The amount of the check;
  - (d) The Counter Check and Slot Counter Check serial number(s) for Counter Check(s) and Slot Counter Check(s) received; and
  - (e) An indication as to whether the check was initially accepted or received in a redemption, consolidation or substitution.
- (3) For checks deposited, redeemed by patrons for cash, cash equivalents, complimentary cash gifts, gaming chips and plaques, or any combination thereof, consolidated or replaced:
  - (a) The date on which the check was deposited, redeemed, consolidated or replaced;
  - (b) The name of the drawer of the check;
  - (c) The amount of the check;
  - (d) The Counter Check and Slot Counter Check serial number(s) for Counter Check(s) and Slot Counter Check(s) deposited, redeemed, consolidated or replaced; and
  - (e) An indication as to whether the check was deposited, redeemed, consolidated or replaced.
- (4) The balance of the checks on hand in the cashiers' cage at the end of each shift.
- (m) A list of all Counter Checks and Slot Counter Checks on hand, and of all checks received for redemption, consolidation or substitution shall be prepared, manually or by computer, on a monthly basis, at a minimum, and shall include the following:
  - (1) The date of the check;
  - (2) The name of the drawer of the check;
  - (3) The amount of the check; and

- (4) The Counter Check and Slot Counter Check serial number(s) for Counter Check(s) and Slot Counter Check(s) received.

(n) At the end of each gaming day, at a minimum, the following procedures shall be performed:

- (1) The daily total of the amounts of checks initially recorded as described in 205 CMR 138.43(2)(1)(2) shall be agreed to the daily total of Counter Checks and Slot Counter Checks issued;
- (2) The daily total of the checks indicated as deposited on a log required by 205 CMR 138.43(2)(1)(3) shall be agreed by employees with no incompatible functions to the bank deposit slips corresponding to such check; and
- (3) The balance required by 205 CMR 138.43(2)(1)(4) shall be agreed to the total of the checks on hand in the cashiers' cage.

(o) A patron may not be issued a Counter Check until the operator has established a signature file for the patron.

#### 138.44 Patron request for suspension of credit privileges

(1) Any person may voluntarily suspend his or her credit privileges at all gaming establishments by submitting a written request to the commission in accordance with 205 CMR 138.44. Such requests may be submitted in person at the commission's headquarters or at the commission's office within a gaming establishment, or by mailing the request to the commission's headquarters. An individual requesting suspension of credit privileges in person shall present valid identification credentials containing the person's signature and either a photograph or a general description of that person. An individual requesting suspension of credit privileges by mail shall provide a signed, notarized form attesting to the identity of the person making the request.

(2) A request for suspension of credit privileges shall be submitted on a form prescribed by the commission, which shall include the following:

- (a) The name of the person requesting suspension of credit privileges;
- (b) The address of the person's residence;
- (c) The person's date of birth;
- (d) The name of each gaming establishment where the person currently has an approved line of credit;

- (e) The signature of the person requesting suspension of credit privileges acknowledging the following statement: "I certify that the information which I have provided above is true and accurate. I am aware that my signature below authorizes the Massachusetts Gaming Commission to direct all Massachusetts gaming licensees to suspend my credit privileges for a minimum period of 30 days from the date of this request and indefinitely thereafter, until such time as I submit a written request to the Commission for the reinstatement of any such credit privileges.";
- (f) If the request for suspension of credit privileges is made in person:
- (1) The type of identification credentials examined containing the person's signature, and whether said credentials included a photograph or general description of the person; and
  - (2) The signature of a commission employee authorized to accept such request, indicating that the signature of the person requesting suspension of credit privileges appears to agree with that contained on his or her identification credentials and that any physical description or photograph of the person appears to agree with his or her actual appearance; and
- (g) If the request for suspension of credit privileges is made by mail, a certificate of acknowledgement executed by a notary public or other person empowered by law to take oaths attesting to the identity of the person who is making the request for suspension of credit privileges.
- (3) The commission shall maintain an updated master list of all persons who have requested suspension of credit privileges pursuant to 205 CMR 138.44, and shall notify the credit department of each gaming licensee in writing of any additions to or deletions from the list. The gaming licensee shall date and time stamp any such notice immediately upon receipt.
- (a) Each gaming licensee shall suspend the credit privileges of any listed individual, effective immediately upon receipt of notice that such individual's name has been added to the list.
  - (b) An updated master list of individuals who have requested suspension of credit privileges shall be maintained by the credit department of each gaming licensee.
  - (c) Each gaming licensee shall note any suspension or reinstatement of credit privileges pursuant to 205 CMR 138.44 in any existing credit file for the affected patron, including

the following:

- (1) A copy of any applicable commission notice of the suspension or reinstatement of credit privileges;
  - (2) The date, time and signature of the credit department representative making the suspension or reinstatement entry in the credit file.
- (4) Any person whose credit privileges have been suspended pursuant to 205 CMR 138.44 may, no sooner than 30 days after the request for suspension of credit privileges, request reinstatement of his or her credit privileges by submitting a written request to the commission in accordance with the procedures specified in 205 CMR 138.44(1)(a).
- (a) Such request shall be in a form prescribed by the commission, which shall include the following:
    - (1) The information specified in 205 CMR 138.44; and
    - (2) The signature of the person requesting reinstatement of credit privileges, indicating acknowledgement of the following statement: "I certify that the information which I have provided above is true and accurate. I am aware that my signature below constitutes a revocation of my previous request for suspension of credit privileges, and authorizes the Massachusetts Gaming Commission to permit any Massachusetts gaming licensee to reinstate my credit privileges."
  - (b) The commission shall delete such individual's name from the list established pursuant to 205 CMR 138.44, and so notify the credit department of each gaming licensee, no later than three days from submission of the written request for reinstatement of credit privileges. The gaming licensee shall date and time stamp any such notice immediately upon receipt.
  - (c) Upon receipt of notice that such individual's name has been deleted from the list, a gaming licensee may reinstate such person's credit upon reverification of the information required by 205 CMR 138.43, or may extend credit to such person in accordance with the procedures set forth in 205 CMR 138.43.
- (5) Information furnished to or obtained by the commission pursuant to 205 CMR 138.44 shall be securely maintained. No gaming licensee shall divulge any information relative to the placement of an individual's name on the master list other than to authorized credit department employees or other Massachusetts gaming establishment personnel whose duties and functions

require access to such information.

138.45: Procedure for depositing checks received from gaming patrons

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a description of its policies and procedures governing the depositing of checks received from gaming patrons which incorporate, at a minimum, the following:

- (1) Unless redeemed or consolidated sooner, all checks received from gaming patrons shall be deposited in the gaming licensee's bank account or presented directly to the patron's bank no later than:
  - (a) The banking day after the date of the check for a non-gaming check; or
  - (b) A timeframe prescribed by the gaming licensee as part of its policy, submitted in accordance with 205 CMR 138.02, not to exceed 30 days from the date of the initial check.
- (2) All checks received for purposes of consolidating outstanding counter checks or redeeming counter checks shall be deposited in the gaming licensee's bank account or presented directly to the patron's bank within a timeframe prescribed by the gaming licensee as part of its policy, submitted in accordance with 205 CMR 138.02, not to exceed 30 days from the date of the initial check.
- (3) In computing a time period prescribed by 205 CMR 138.45, a gaming licensee shall reference 205 CMR 102.05.
- (4) In the event of a series of consolidation or redemption transactions with a patron, the initial check shall be the earliest dated check returned to the patron in the first of the series of consolidation or redemption transactions.
- (5) Any check deposited into a bank will not be considered clear until a reasonable time, as identified by the gaming licensee in its written protocol, has been allowed for such check to clear the bank.
- (6) A gaming licensee may present a patron check directly to the patron's bank for payment. A patron check presented in this manner shall be considered paid in full when honored and paid by the patron's bank. If a gaming licensee intends to do so, it shall include a procedure for:
  - (a) Documenting the release of the patron check from the cashiers' cage to a key gaming employee of the gaming licensee or to an attorney, for the purpose of presentment to the patron's bank.



- (b) Prompt deposit of the proceeds of the check to the gaming licensee's bank account via a wire transfer or a check drawn by the patron's bank and made payable only to the gaming licensee, if the patron's check is honored and paid;
  - (c) Notice to the gaming licensee that the check has been paid in full by the patron's bank.
- (7) If a gaming licensee determines, prior to the deposit or presentment of a Counter Check or Slot Counter Check that the bank name, the bank routing number, the patron's bank account number or the micro-encoding number contained on the check are incorrect due to a data entry error (e.g., a misspelling, a wrong number or a transposition of numbers), a check bank cashier may correct the erroneous entry. Such procedure shall include:
- (a) A description of the manner in which the error will be corrected by the check bank cashier;
  - (b) The creation of documentation that will permit both the check bank cashier and the casino accounting department to identify and compare a copy of the uncorrected check that was originally issued and the corresponding corrected check that was deposited or redeemed;
  - (c) The written approval of a cage supervisor prior to the alteration of any check by a check bank cashier; and
  - (d) A prohibition against using 205 CMR 138.45(8) to change the verified bank account on which the Counter Check or Slot Counter Check was originally drawn.

138.46 Procedure for collecting and recording checks returned to the gaming establishment after deposit

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a description of its policies and procedures governing the collection and recording of checks returned to the gaming establishment after deposit which incorporate, at a minimum, the following:

- (1) All dishonored checks returned by a bank after deposit shall be returned directly to, and controlled by, accounting department employees and shall be maintained by check bank cashiers. Such employees shall have no incompatible functions.
- (2) All debt collection practices must be conducted in accordance with 940 CMR 7.00: *Debt*

*Collection Regulations.* Provided, further, that a gaming licensee's debt collection policy shall not allow for placement of a lien on a patron's primary residence.

- (3) Debt collection shall be limited to key gaming employees or an attorney acting directly on behalf of a gaming licensee; provided, however, that a key gaming employee shall not make any such collections if that employee serves as a junket representative for the gaming licensee. Such procedure shall ensure that any key gaming employee engaged in debt collections does not have any incompatible functions. Any verbal or written communication with patrons regarding collection efforts shall be made with the full knowledge of the collection employees and shall be documented.
- (4) Continuous records of all returned checks shall be maintained by accounting department employees with no incompatible functions. Such records shall include, at a minimum, the following:
  - (a) The date of the check;
  - (b) The name and address of the drawer of the check;
  - (c) The amount of the check;
  - (d) The date(s) the check was dishonored;
  - (e) The Counter Check or Slot Counter Check serial number for Counter Checks or Slot Counter Checks; and
  - (f) The date(s) and amount(s) of any collections received on the check after being returned by a bank, including the date(s) and amount(s) of any complimentary cash gifts applied as payment on the check after being returned by a bank.
- (5) If a gaming licensee determines that a Counter Check or Slot Counter Check was returned by a bank because the bank name, the bank routing number, the patron's bank account number or the micro-encoding number contained on the check was incorrect due to a data entry error (e.g., a misspelling, a wrong number or a transposition of numbers), a check bank cashier may, correct the erroneous entry and cause the check to be redeposited. Any such procedure shall, at a minimum, include:
  - (a) A description of the manner in which the error will be corrected by the check bank cashier;
  - (b) The creation of documentation and control procedures that will permit both the check

bank cashier and the casino accounting department to identify and compare a copy of the uncorrected check that was originally deposited and the corresponding corrected check that was redeposited;

(c) The written approval of a cage supervisor prior to the alteration of any check by a check bank cashier; and

(d) A prohibition against using 205 CMR 138.46(5) as a basis to change the verified bank account on which the Counter Check or Slot Counter Check was originally drawn.

(6) Statements shall be sent to patrons, by accounting department employees with no incompatible functions, immediately upon initial receipt of a returned check or immediately upon receipt of a check returned for a second time if the check was immediately redeposited pursuant to 205 CMR 138.46(5), and such statements shall include, but not be limited to, the following:

(1) The name and address of the drawer;

(2) The date of the check;

(3) The amount of the check; and

(4) The date(s) and amount(s) of any collections received on the check after being returned by the bank.

(7) Patrons to whom statements are sent shall be advised of a return address and department to which replies shall be sent.

(8) Employees with no incompatible functions shall receive directly and shall initially record all collections.

(9) Copies of statements and other documents supporting collection efforts shall be maintained and controlled by accounting department employees.

(10) A record of all collection efforts shall be recorded and maintained by the collection area within the accounting department.

(11) Listings of uncollectible checks shall be approved in writing by, at a minimum, the chief executive officer or the chief gaming executive, a key gaming employee identified and approved by the commission as part of the gaming licensee's system of internal controls, and the controller or the person to whom the controller directly reports; provided that, with the

exception of the chief executive officer and chief gaming executive, none of the foregoing persons shall also have the authority to approve credit. All such uncollectible checks and listings shall be maintained and controlled by accounting department employees. A continuous trial balance of all uncollectible checks shall be maintained by employees of the accounting department. The continuous trial balance shall be adjusted for any subsequent collections.

138.47 Automated Teller Machines (ATM)

- (1) Use and operation of an Automated Teller Machine (“ATM”) or electronic branch, as defined by G.L. c.167B, §1, is governed by M.G.L. c.167B and 209 CMR.
- (2) No ATM or electronic branch, as defined by G.L. c.167B, §1, shall be located closer than 15 feet from the gaming area in a gaming establishment.

**No Documents**

205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR XX.00: RACE HORSE DEVELOPMENT FUND

Section

XX.01: Definitions

XX.02: Distributions from the Race Horse Development Fund

XX.03: Notice to Commission of Intent to Discontinue Racing

XX.04: Race Horse Development Fund Escrow Account

XX.05: Supplemental Procedures for Licensure Pursuant to M.G.L. c. 128A, § 2.

XX.01: Definitions

As used in 205 CMR XX.00, the following words and phrases shall have the following meaning, unless the context clearly requires otherwise:

Commission is defined in M.G.L. c. 23K § 2.

Meeting means a meeting as defined in 205 CMR 3.02 and 205 CMR 4.02, respectively.

Harness Race means a race involving standardbreds as defined in 205 CMR 3.02.

Harness Racing Association means an association as defined in 205 CMR 3.02.

Horse Race means a race involving thoroughbreds as defined in 205 CMR 4.02.

Horse Racing Association means an association as defined in 205 CMR 4.02.

Horse Racing Committee means the committee established pursuant to M.G.L. c. 23K, § 60(b).

Horsemen has the meaning ascribed to the term in M.G.L. c.23K §60 and refers to Harness Horsemen and Thoroughbred Horsemen respectively.

License means a license to conduct a harness race, horse race, or both issued pursuant to M.G.L. c. 128A.

Race Horse Development Fund means the fund established pursuant to M.G.L. c. 23K, § 60.

Race Horse Development Fund Escrow account means an escrow account established pursuant to 205 CMRXX.03 (2) (a) and XX.04.

Race Track is defined in M.G.L. c. 128A, § 1.

XX.02: Distributions from the Race Horse Development Fund

(1) (a) The commission shall make distributions from the race horse development fund between harness racing associations and horse racing associations in accordance with the requirements of M.G.L. c. 23K, § 60, 205 CMR XX.02 and 205 CMR XX.04 and the recommendations of the horse racing committee.

(b) If there is more than one harness racing association or more than one horse racing association, the horse racing committee shall determine how the distributions from the race horse development fund are shared between each harness racing association or horse racing association.

(2) A harness racing association or horse racing association shall distribute funds received from the race horse development fund in accordance with M.G.L. c. 23K, § 60(c) and 205 CMR XX.04.

(3) In order for a harness racing association or horse racing association to be eligible to receive funds from the race horse development fund such harness racing association or horse racing association shall comply with all safety standards adopted by the Commission and applicable to such harness racing association or horse racing association.

XX.03: Notice to Commission of Intent to Discontinue Racing

(1) A harness racing association or horse racing association shall provide the commission at least thirty(30) days prior written notice of its intent to take any of the following actions:

- (a) To discontinue harness races or horse races for the remainder of a harness meeting or horse meeting
- (b) To permanently discontinue harness races or horse races;
- (c) To close a race track used for harness races or horse races;
- (d) To abandon or relinquish a license;
- (e) To not apply for the renewal of a license; or
- (f) To transfer a race track to any other entity.

(2) Upon receipt of a written notice of intent pursuant to 205 CMR XX.03(1), or upon learning that the harness racing association or horse racing association has failed to timely notify the commission pursuant thereto or that any event described in 205 CMR XX.03(1) (a)-(f) has occurred or will occur, the commission may take one or more of the following actions:

- (a) Hold a public hearing to determine:

(i) whether monies from the race horse development fund which the harness racing association or horse racing association would have received pursuant to M.G.L. c. 23K, § 60, should be placed in a racing escrow account for distribution pursuant to 205 CMR XX.04;

(ii) whether to transfer monies from the race horse development fund which the harness racing association or horse racing association would have received pursuant to M.G.L. c. 23K, § 60 to a different harness racing association or horse racing association;

(iii) whether to transfer the harness racing association's or horse racing association's license to a different harness racing association or horse racing association;

(iv) whether to take any other action within its authority to protect:

- i. the interests of the commonwealth;
- ii. employees or former employees of the harness racing association or horse racing association;
- iii. harness racing horsemen and horse racing horsemen; and
- iv. the intended beneficiaries of the race horse development fund, any other fund established pursuant to M.G.L. cc. 23K, 128A or 128C, and any other fund to which the harness racing association or horse racing association was required to contribute.

(b) Require the harness racing association or horse racing association to pay to the commission any amounts required pursuant to the terms of its license, M.G.L. cc. 23K, 128A, and 128C, and 205 CMR XX.00 including, without limitation, all unclaimed winnings and breaks, assessments, taxes, and fees.

#### XX.04: Race Horse Development Fund: Distributions; Escrow Accounts

(1) If the commission determines pursuant to 205 XX.03(2) (a) that monies due to a harness racing association or horse racing association from the race horse development fund should be placed in an escrow account, the commission shall establish a race horse development fund escrow account to hold such funds and any interest thereon for distribution in accordance with M.G.L. c. 23K, § 60(c), the recommendations of the horse racing committee, and 205 CMR XX.00.

(2) The commission shall establish a separate race horse development fund escrow account concerning each harness racing association or horse racing association for which it determines such an account is necessary pursuant to 205 CMR XX.03(2)(a)



(3) The commission shall hold funds in such race horse development fund escrow accounts subject to the following requirements:

(a) Monies held in a race horse development fund escrow account shall be held in escrow for no more than three years from the date of the Commission's determination to hold the funds in escrow. After three years, any monies remaining in such race horse development fund escrow accounts shall be transferred or distributed by the commission in accordance with the recommendations of the horse racing committee.

(4) (a) The commission shall make distributions from the race horse development fund or from a race horse development fund escrow account created under 205 CMR XX.03 because of a harness racing association as follows, in accordance with M.G.L. c. 23K, § 60, and 205 CMR XX.00:

i. Eighty per cent of the funds approved by the commission shall be paid weekly to a harness racing association, or if there is more than one harness racing association, as recommended by the horse racing committee, weekly by the Commission into a separate, interest-bearing purse account to be established by and for the benefit of harness racing horsemen. The earned interest on this account shall be credited to the purse account and shall be combined with revenues from existing purse agreements to fund purses for live harness races consistent with those agreements, with the advice and consent of the harness racing horsemen.

ii. Sixteen percent of the funds approved by the commission shall be deposited by the Commission into an account for the benefit of the Massachusetts Standardbred Breeding Program authorized by the commission.

iii. Four percent shall be used to fund health and pension benefits for the members of the horsemen's organizations representing the owners and trainers at the harness horse racing association's race track for the benefit of the organization's members, their families, employees and others under the rules and eligibility requirements of the organization, as approved by the commission. This amount shall be deposited by the Commission within five business days of the end of each month into a separate account to be established by each respective horsemen's organization at a banking institution of its choice. Of this amount, the commission shall determine how much shall be paid annually by the horsemen's organization to the standardbred drivers' organization at the harness racing association's race track for health insurance, life insurance or other benefits to active and

disabled standardbred drivers under the rules and eligibility requirements of that organization.

(b) The commission shall make distributions from the race horse development fund or a race horse development fund escrow account created under 205 CMR XX.03 because of a horse racing association as follows, in accordance with M.G.L. c. 23K, § 60, and 205 CMR XX.00:

- i. Eighty per cent of the funds approved by the commission shall be paid weekly to a horse racing association, or if there is more than one horse racing association, as recommended by the horse racing committee, weekly by the Commission into deposited weekly into a separate, interest-bearing purse account to be established by and for the benefit of horse racing horsemen. The earned interest on this account shall be credited to the purse account and shall be combined with revenues from existing purse agreements to fund purses for live horse races consistent with those agreements, with the advice and consent of the horse racing horsemen.
- ii. Sixteen percent of the funds approved by the commission shall be deposited by the Commission into an account for the benefit of the Massachusetts Thoroughbred Breeding Program authorized by the commission.
- iii. Four percent shall be used to fund health and pension benefits for the members of the horsemen's organizations representing the owners and trainers at the horse racing association's race track for the benefit of the organization's members, their families, employees and others under the rules and eligibility requirements of the organization, as approved by the commission. This amount shall be deposited by the Commission within five business days of the end of each month into a separate account to be established by each respective horsemen's organization at a banking institution of its choice. Of this amount, the commission shall determine how much shall be paid annually by the horsemen's organization to the thoroughbred jockeys organization at the horse racing association's race track for health insurance, life insurance or other benefits to active and disabled thoroughbred jockeys under the rules and eligibility requirements of that organization.

(4) If the commission awards a license to a harness racing association, after placing the funds in escrow pursuant to 205 CMR XX.03 the commission may transfer funds to that harness racing association, for use in accordance with M.G.L. c. 23K § 60 and 205 CMR XX.00, from

any race horse development fund escrow account then in existence that was created under 205 CMR XX.03

(5) If the commission awards a license to a horse racing association after placing the funds in escrow pursuant to 205 CMR XX.03 the commission may transfer funds to that horse racing association, for use in accordance with M.G.L. c. 23K § 60 and 205 CMR XX.00, from any race horse development fund escrow account then in existence that was created under 205 CMR XX.03.

(6) The commission may, upon the recommendation of the horse racing committee, transfer all or a portion of the funds held in a race horse development fund escrow account to any one or more harness racing associations or horse racing associations for distribution in accordance with M.G.L. c. 23K, § 60, and 205 CMR XX.00.

#### REGULATORY AUTHORITY

205 CMR XX: M.G.L. c. 23K, §§ 2, 4(37), 4(38), 5, 7, 60; c. 128A, §§ 1, 2, 3, 9, 9B.

205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR \_\_\_\_\_ SUPPLEMENTAL LICENSURE PROCEDURES

XX.01: Supplemental Procedures for Licensure Pursuant to M.G.L. c. 128A, § 2.

(1) Any person desiring to hold or conduct a horse racing meeting within the commonwealth shall make an application to the commission for a license so to do in accordance with M.G.L. c. 128A, § 2. The commission may waive the deadlines for filing of and action on any such application in the event that there is no horse racing association then licensed in the commonwealth or any such association previously licensed has submitted written notice of intent pursuant to 205 CMR XX.03(1), has failed to timely notify the commission pursuant thereto or has caused or suffered any event described in 205 CMR XX.03 (a)-(f) to have occurred.

(2) The commission may deem an application for a license submitted pursuant to M.G.L. c. 128A, § 2 complete as of the date first filed, notwithstanding the fact that the applicant provided additional or supplemental information in support of that application at a later time, provided all such additional or supplemental information has been provided to the commission no later than 45 days before the proposed commencement of a meeting requested in the application.

(3) The commission may, at an applicant's request, hold the certified checks or bank drafts required as part of an application of a license pursuant to M.G.L. c. 128A, § 2 in escrow until 30 days after the award of a license.

(4) A harness racing association or horse racing association awarded a license pursuant to M.G.L. c. 128A must provide the commission with the bond required pursuant to M.G.L. c. 128A, § 3(o) within 30 days of the award of the license.

REGULATORY AUTHORITY

205 CMR XX: M.G.L. c. 23K, §§ 2, 4(37), 4(38), 5, 7, 60; c. 128A, §§ 1, 2, 3, 9, 9B.



## **AMENDED SMALL BUSINESS IMPACT STATEMENT**

The Massachusetts Gaming Commission (“Commission”) hereby files this amended small business impact statement in accordance with G.L. c.30A, §5 relative to the proposed regulations in 205 CMR 122: Capital Investment, for which a public hearing was held on October 7, 2014. These specific amendments allow for a Region C applicant to include additional costs within the calculation of the minimum capital investment of the gaming facility. The statutory amount of the total capital investment remains the same. These regulations are largely governed by M.G.L. 23K, §§1(5), 4(37), 5(3), 5(a)(15), 10, 11, and 18(3).

These regulations apply solely to the applicants and licensees of a gaming facility. No small businesses are subject to these regulations. Accordingly, based on the principal subject matter of the regulations, there are no less stringent schedules or deadlines for compliance or reporting requirements for small businesses, consolidated or simplified compliance or reporting requirements for small businesses, performance standards for small businesses to replace design or operational standards required in the proposed regulations, or alternative regulatory methods to minimize adverse impacts on small businesses.

G.L. c.23K was enacted to create a new industry in the Commonwealth and to promote and grow local small businesses and the tourism industry, including the development of new small businesses such as lodging, dining, retail, cultural, and social facilities. The proposed regulations, as part of the overall process, are designed to effectuate those intentions and growth.

Massachusetts Gaming Commission  
By:

Danielle Holmes  
Attorney

Dated:



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR 122.00: CAPITAL INVESTMENT

122.03: Costs Included in the Calculation of Capital Investment

For purposes of calculating the capital investment for a category 1 or category 2 gaming license, the following costs shall be included:

\*\*\*

(11) (For Region C applicants) Capitalized interest.

(12) (For Region C applicants) Costs associated with designing, improving or constructing the infrastructure outside the property boundaries of the site of the gaming establishment including those related to drainage, utility support, roadways, interchanges, fill and soil or groundwater or surface water contamination issues, sewer, storm water, landscaping, and public transportation whether or not such costs are the result of a host community agreement, a surrounding community agreement, required by any regulatory body or as part of the permitting process.

122.04: Costs Excluded from the Calculation of Capital Investment

For purposes of calculating the capital investment for a category 1 or category 2 gaming license, the following costs may not be included:

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(2) (subject to 205 CMR 122.03(11)) Carried interest costs and other associated financing costs.

\*\*\*

(4) (For Region A and B applicants) Costs associated with designing, improving or constructing the infrastructure outside the property boundaries of the site of the gaming establishment including those related to drainage, utility support, roadways, interchanges, fill and soil or groundwater or surface water contamination issues, sewer, storm water, landscaping, and public transportation whether or not such costs are the result of a host community agreement, a surrounding community agreement, required by any regulatory body or as part of the permitting process.



## **AMENDED SMALL BUSINESS IMPACT STATEMENT**

The Massachusetts Gaming Commission (“Commission”) hereby files this amended small business impact statement in accordance with G.L. c.30A, §5 relative to the proposed regulations in 205 CMR 141: Surveillance of Gaming Establishment, for which a public hearing was held on October 7, 2014. These proposals were developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth. These regulations govern the Commission’s policies and equipment standards for the surveillance of the gaming establishments. These regulations are largely governed by M.G.L. 23K, §§4(28), 4(37), and 5(9).

These regulations apply solely to the operators of a gaming facility. No small businesses are subject to these regulations. Accordingly, based on the principal subject matter of the regulations, there are no less stringent schedules or deadlines for compliance or reporting requirements for small businesses, consolidated or simplified compliance or reporting requirements for small businesses, performance standards for small businesses to replace design or operational standards required in the proposed regulations, or alternative regulatory methods to minimize adverse impacts on small businesses.

G.L. c.23K was enacted to create a new industry in the Commonwealth and to promote and grow local small businesses and the tourism industry, including the development of new small businesses such as lodging, dining, retail, cultural, and social facilities. The proposed regulations, as part of the overall process, are designed to effectuate those intentions and growth.

Massachusetts Gaming Commission  
By:

Danielle Holmes  
Attorney

Dated:



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR 141.00: SURVEILLANCE OF THE GAMING ESTABLISHMENT

Section

- 141.01: Approval of Surveillance System
- 141.02: Commission Access to the Surveillance System
- 141.03: CCTV Equipment
- 141.04: Areas to be Monitored and Recorded
- 141.05: Requirements of the Surveillance System Plan
- 141.06: Notice to the Commission of Changes
- 141.07: Recording transmission outside of the Gaming Establishment
- 141.08: Independence of the Surveillance Department
- 141.09: Access to the Monitoring Room

141.01: Approval of Surveillance System

(1) In accordance with 205 CMR 138.04~~2~~(4)(c), all gaming licensees must submit a plan to the commission for a system of effective closed circuit television (“CCTV”) surveillance of the gaming establishment. No gaming licensee may ~~open for gaming~~ **commence gaming operations** without the commission’s approval of its CCTV surveillance plan as part of its system of internal controls. The surveillance plan must adequately address, at a minimum, all elements included in 205 CMR 141.00.

(2) Nothing in 205 CMR 141.00 shall be construed so as to limit a gaming licensee’s use of advanced technology or new technology, provided that if the gaming licensee intends to utilize any new technology not identified in its initial proposal submitted in accordance with 205 CMR 138.04~~2~~(4)(c), it shall submit for commission approval the changes to its system of internal controls to incorporate the use of any such new technology in accordance with 205 CMR 138.04~~2~~(3).

(3) The term *commission* in 205 CMR 141.00 shall include staff assigned to the IEB and any other designated staff of the commission.

**(4) The term *division* in 205 CMR 141.00 shall include Assistant Attorneys General and State Police assigned to the Division of Gaming Enforcement in accordance with M.G.L. c.12, § 11M.**

141.02: Commission Access to the Surveillance System

A surveillance plan must provide for the commission **and the division** to be afforded access to the CCTV system and its transmissions including, at a minimum:



- (1) Use of and unfettered access, by way of keycard or other similar mechanism, to the monitoring room in the gaming establishment and all materials therein;
- (2) Ability of commission **and the division** to direct employees of the gaming establishment to vacate the monitoring room in the event that such presence would, in the determination of the commission **or the division**, compromise the integrity of an investigation **and there are no alternative means available to pursue the information**;
- (3) Monitors located within the commission office in the gaming establishment which are capable of accessing all video and audio and still photography available to the gaming licensee, with the ability for the commission to independently control any camera;
- (4) Ability of the commission **and the division**, or its designated staff, to access the CCTV system and its transmissions, **that have been encrypted to ensure security**, remotely outside of the gaming establishment;
- (5) Recording(s) or photographs(s) to be made by the gaming licensee at the direction of the commission **or the division**; and
- (6) Integration of a priority system preventing staff of the gaming establishment from controlling a segment of the system when being utilized by the commission **or the division**, or its staff.

#### 141.03: CCTV Equipment

A surveillance plan must provide for the utilization of a CCTV surveillance system which includes at a minimum the following equipment and specifications:

- (1) Light sensitive cameras, with lenses of sufficient magnification to allow for the reading of information on gaming chips, playing cards, dice, tiles, slot machine reel symbols, slot machine credit meters, and employee credentials and with 360 degree pan, tilt and zoom (“PTZ”) capabilities without camera stops to effectively and clandestinely monitor in detail and from various vantage points;
- (2) Equipment and supplies as may be required by the commission, taking into consideration current developments in electronic and computer technology, for the effective performance of the activities to be conducted therein including, without limitation:
  - (A) A communication system capable of monitoring all gaming establishment security department activities; and
  - (B) If computerized monitoring systems are used by the gaming licensee in its gaming operations, view-only terminals which allow access to all information concerning cage, slot, and table games operations;
- (3) High definition digital recording equipment which:
  - (A) Permits the preservation and viewing of transmissions produced by all cameras;
  - (B) Is capable of the superimposition of time and date stamping on each recording;

- (C) Possesses the ability to identify and locate a particular event that was recorded;
- (D) Reproduces events in color, unless otherwise approved by the commission;
- (E) Records all images on a hard drive or server;
- (F) Locks such that access to the erase and reformat functions, and system data files is restricted to employees specifically authorized for those purposes;
- (G) Provides uninterrupted recording of surveillance during playback or copying;
- (H) Is capable of copying original images while maintaining the original native format and that can store the images at a rate of not less than 30 frames per second;
- (I) Will record images at a minimum resolution of 320 x 240 and display during playback at a minimum resolution of 640 x 480;
- (J) Will store images in a format that is readable by the commission's equipment;
- (K) Will store images in a format such that they can be verified and authenticated; and
- (L) Is equipped with an uninterruptible power source to allow a proper system shutdown.
- (M) Films at 4 CIF (Common Intermediate Format) minimum 704 x 576 pixels resolution;
- (N) Films at 30 frames per second (real time recording) for all required filming, all operator observed activity, and all events requested by the commission;
- (O) Films at 4 frames per second for all facial recognition recordings; ~~including complimentary kiosk machines, self redemption machines, change booths, and access to the surveillance server.~~ **and,**
- (P) Ensures that all complimentary kiosk machines, self-redemption machines, change booths, and access to the surveillance server have dedicated facial recognition coverage.

- (4) Recording media, which shall be replaced ~~immediately~~ **as expeditiously as possible** upon the manifestation of any significant degradation in the quality of the images or sound; and
- (5) Audio capability in the soft count room.
- (6) Watermarking and encryption systems shall be explained in detail as part of the surveillance plan.

141.04: Areas to be Monitored and Recorded

(1) A surveillance plan must provide, at a minimum, for the effective monitoring of the following areas of the gaming establishment in detail and from various vantage points:

(A) The gaming area, including, but not limited to effective and clandestine observation of:

- (1) Slot machine play;
- (2) Table game play including:
  - (A) One or more fixed or PTZ cameras focused over each gambling table, covering the entire table layout, provided that each table is viewable by at least 3 PTZ cameras;

(B) A sufficient number of cameras to monitor players and dealers at each gambling table that are:

- (1) Dedicated to each table; and
  - (2) Able to determine the card and chip values for winning hands.
- (3) Each simulcast window that is open for business;
  - (4) Operations conducted in cashier cages, and the offices ancillary thereto, to include coverage sufficient to observe the face of each patron transacting business at each cage and satellite cage window from the direction of the cashier; and to include a fixed camera over each money drawer;
  - (5) Operations conducted at slot booths;
  - (6) All processes conducted in count rooms, within which there must be audio capability;
  - (7) Movement and storage of cash, gaming chips, and all other representatives of value, cards, dice, tiles, and any other equipment used in table games, drop boxes, slot drop boxes and slot drop buckets within the gaming establishment;
  - (8) All entrances and exits to and within the gaming area; and
  - (9) The operation of gaming voucher redemption machines and gaming voucher systems and electronic transfer credit systems.

(B) The following locations, persons or transactions:

- (1) A slot machine that is connected to a progressive payout meter displaying a potential payout of ~~\$35,000~~ 50,000 or more;
- (2) Such main bank areas where gross revenue functions are performed as may be required by the commission;
- (3) The execution of fills and credits at the chip bank;
- (4) The collection of drop boxes, slot drop boxes, and slot cash storage boxes;
- (5) Any armored car collection or delivery of cash for which security escort or surveillance coverage is required;
- (6) The inspection and distribution to gaming pits of cards, dice and tiles;
- (7) Each transaction conducted at an automated bill breaker, voucher/coupon redemption and jackpot payout machine, as well as each replenishment or other servicing of any such machines;
- (8) The count area or count room;
- (9) Counting of dealer tips in accordance with 205 CMR 138.18 and the policies and procedure submitted in accordance therewith.

(C) The non-gaming area, including, but not limited to the effective and clandestine observation of:

- (1) Any location within the gaming establishment wherein any armored car collection or delivery of cash occurs;

- (2) Parking areas of the gaming establishment; and
- (3) Public areas of the gaming establishment, as designated by the commission, including outside the entrances to the gaming area.

(D) Any other area so directed by the commission

(2) The gaming licensee shall submit for approval the ratio between the number of surveillance operators and the square footage of areas to be covered.

(3) Cameras shall be positioned:

- (A) In a manner that will prevent them from being obstructed, tampered with, or disabled; and
- (B) Behind a smoked dome, one-way mirror, or similar materials that conceal the camera from view.

#### 141.05: Requirements of the Surveillance System Plan

A surveillance plan must, at a minimum, incorporate the following:

- (1) An adequate emergency power system at all times sufficient to prevent required monitoring from being unreasonably delayed, and a contingency plan to be utilized whenever a power failure occurs that can be used to operate the CCTV system in the event of a power failure. Such power system shall be tested in the presence of the commission at 12-month intervals subject to more frequent re-testing upon failure of a test;
- (2) A preventive maintenance program, implemented by technicians assigned to the surveillance department or, if assigned to another department, subject to the direction and control of the director of surveillance, which ensures that the entire CCTV system is maintained in proper working order and that transparent covers over CCTV system cameras are cleaned in accordance with a routine maintenance schedule. In the event that preventive maintenance to be performed by a technician assigned to another department is required on an emergency basis, the surveillance department shall have priority with respect to personnel resources of such other department to ensure the efficacy of the CCTV system;
- (3) Connection to all gaming establishment alarm systems enabling instant notification of any such alarm and monitoring of any area to which the alarm applies and which provides a visible, audible or combination signal; provided, however, that any robbery or other emergency-type alarm shall be perceptually distinguishable from all non-emergency alarm types in a manner approved by the commission (for example, robbery alarm is the only audible alarm);
- (4) An updated photo library, consisting of photographs that are no more than four years old, of all current employees of the gaming establishment, which photo library shall be available to the commission upon request;

- (5) Provision for an updated operational blueprint depicting all areas of the gaming establishment, and elsewhere where CCTV coverage is available that is readily accessible to all monitoring room personnel and representatives of the commission.
- (6) A surveillance log securely maintained that includes detailed reports of all surveillances conducted. The log shall be maintained by monitoring room personnel and shall be stored securely, in a manner approved by the commission, within the surveillance department. The surveillance log shall be available for inspection at any time by the commission. At a minimum, the following information shall be recorded in a surveillance log:
  - (A) Date and time each surveillance commenced;
  - (B) The name and license credential number of each person who initiates, performs or supervises the surveillance;
  - (C) Reason for surveillance, including the name, if known, alias or description of each individual being monitored, and a brief description of the activity in which the person being monitored is engaging;
  - (D) The times at which each video or audio recording is commenced and terminated;
  - (E) The time at which each suspected criminal offense is observed, along with a notation of the reading on the meter, counter or device that identifies the point on the video recording at which such offense was recorded;
  - (F) Time of termination of surveillance; and
  - (G) Summary of results of the surveillance.
- (7) Signals from all cameras required in accordance with 205 CMR 141.04 shall be recorded and retained for a minimum of 30 days unless notified by the commission **or the division** within that period that any such recordings must be retained for any longer period so designated by the commission **or the division** . and shall be made available for review upon request by the commission. In addition, any such recordings which are determined by the commission to be of potential evidentiary value shall be retained and stored pursuant to commission directives. **Upon written request by a gaming licensee, the commission may allow a gaming licensee to retain surveillance recordings of certain areas of the gaming establishment for less than 30 days;**
- (8) Continuous lighting of all areas, including gaming tables and pits, where CCTV system camera coverage is required by 205 CMR 141.04 that is of sufficient quality to produce clear recordings and still picture reproductions.
- (10) No use of multiplexing and quad recording devices for required surveillance **recordings** in accordance with 205 CMR 141.04.
- (11) That surveillance room entrances are not visible from the gambling floor;
- (12) That a surveillance employee is present in the room and monitoring activities using the equipment any time the gaming establishment is conducting gambling activities and during the count process **unless otherwise directed by the commission or division in accordance with 205 CMR 141.02(2).**

#### 141.06: Notice to the Commission of Changes

A surveillance plan must provide for notification to the commission upon the occurrence of any of the following:

- (1) CCTV equipment is replaced;
- (2) Slot machine or table game locations are modified (so as to enable the commission to review the new locations for adequate coverage);
- (3) Equipment failure occurs. Notice of such shall be immediately made to the IEB, **upon discovery by the gaming licensee**, and include the time and cause of the malfunction, if known, the time that the security department was apprised of the malfunction **by the surveillance department**, and any communications with the security department **by the surveillance department** relating to the malfunction; or
- (4) Camera relocation occurs.

#### 141.07: Recording transmission outside of the Gaming Establishment

A surveillance plan must provide limitations on CCTV transmissions that, at a minimum, do not allow transmissions outside the gaming establishment with the exception of:

- (1) Wide-area progressive slot machine systems monitoring;
- (2) Remote access to the system **exclusively** by the commission **and the division** at an off-site commission office **or division office over an encrypted transmission**; and
- (3) Such transmissions as may be permitted outside the gaming establishment by written order of the commission.

#### 141.08: Independence of the Surveillance Department

A surveillance plan must provide for the independence of surveillance department employees assigned to monitor the activities of the gaming establishment. Those provisions shall include, at a minimum, that those employees shall be independent of all other departments. These provisions must include the period of time that must lapse before (i) any surveillance department employee who monitored the activities of the gaming establishment may become employed in any department that said employee had monitored, and (ii) any non-surveillance employee who works in the gaming establishment of the gaming licensee can become employed in the surveillance department. Upon petition to the commission and for good cause shown, the gaming licensee may request a relaxation of the time periods herein for individual cases.

141.09: Access to the Monitoring Room

A surveillance plan must provide for limited access to the monitoring room which, at a minimum, shall include:

(1) That the entrances to the monitoring room not be visible from the gaming area or any other public area;

(2) Identification by position of each employee allowed access to the monitoring room or any other designated area capable of receiving CCTV transmission. Any person who enters any monitoring room or such designated area who is not a surveillance department employee shall sign the Monitoring Room Entry Log upon entering the restricted area. The Monitoring Room Entry Log shall be:

(A) Kept in the CCTV monitoring room;

(B) Maintained in a book with bound numbered pages that cannot be readily removed or via an electronic equivalent;

(C) Signed by each person whose presence is not expressly authorized in accordance with 205 CMR 141.09(2), with each entry containing, at a minimum, the following information:

(1) The date and time of entering into the monitoring room or designated area;

(2) The entering person's name and his or her department or affiliation;

(3) The reason for entering the monitoring room or designated area;

(4) The name of the person authorizing the person's entry into the monitoring room or designated area; and

(5) The date and time of exiting the monitoring room or designated area.

(3) The Monitoring Room Entry Log shall be made available for inspection by the commission at all times.

(4) For server based monitoring systems, a plan for restricting access to monitoring and recording by unauthorized personnel such as IT personnel and members of management.

REGULATORY AUTHORITY

205 CMR 137: M.G.L. c. 23K, §§4(28), 4(37), 5(9)

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October 03, 2014

**VIA EMAIL**

Massachusetts Gaming Commission  
84 State Street  
Boston, MA 02109

**RE: Blue Tarp reDevelopment Comments on 205 CMR 141.00 and 142.00**

To Whom It May Concern:

In response to the Massachusetts Gaming Commission's request for comments on 205 CMR 141.00, *Surveillance of Gaming Establishment* and 205 CMR 142 (Surveillance Regulations) and 205 CMR 142.00, *Regulatory Monitoring and Inspections* (Monitoring Regulations), Blue Tarp reDevelopment, LCC ("MGM Springfield") submits the following to the Commission in connection with the public hearing scheduled for October 7, 2014. MGM Springfield appreciates the opportunity to provide comments on these important regulations that will be relied upon in day to day operations.

Overall, the Commission's draft regulations balance the needs of the Commission to meet its regulatory oversight obligations with the ability of the licensee to operate a successful gaming establishment. In some instances, however, we believe the Commission's proposed regulations can be improved including reconsidering the proposed authority to require a licensee to vacate its monitoring room, requirements that would give Commission staff remote access outside of the gaming establishment to the licensee's surveillance system, and clarifying the authority and scope of the Commission to act in connection with affiliates located outside of Massachusetts and the project site. With some modification as set forth more fully below, we believe the regulations can provide the Commission with the necessary tools to meet its oversight obligations while allowing the licensee to maintain the integrity of its gaming operations and the safety of its guests.

**Comments on 205 CMR 141.00: Surveillance of the Gaming Establishment**

*205 CMR 141.01 Approval of Surveillance System*

- This section references the requirement that all gaming licensees submit a plan for CCTV surveillance of the "gaming establishment." The physical boundaries of the "gaming establishment" will ultimately be determined by the license issued to the gaming licensee. Where, however, the gaming establishment may include non-gaming amenities outside of the gaming area such as retail, entertainment, restaurant, hotel and even residential components, some of which may be leased to and/or operated by third parties, it will be important that (i) either the regulations contemplate and accommodate the likely need for differing levels of surveillance in such areas of the gaming establishment, which we believe, as is customary in the industry, should be largely left to the



discretion of the operator based on its own internal controls and standards or (ii) the area defined as the “gaming establishment” in the license include qualifications with respect to the compliance with certain regulations such as 205 CMR 141.

#### *205 CMR 141.02 Commission Access to the Surveillance System*

- 205 CMR 142.02(2), (3) and (6) contemplate Commission staff control of the gaming establishment’s monitoring capabilities including requirements to vacate the monitoring control room, and independent control of cameras from outside the monitoring control room. The Commission’s requirements for such complete control should recognize the competing needs of the licensee to ensure the constant monitoring and integrity of the ongoing gaming operations and overall safety of its guests and protection of its property. While other jurisdictions such as Maryland and New Jersey have regulations that provide for the ability of Commission staff to control cameras under certain circumstances, authority to order a licensee monitoring room vacated thereby abrogating the licensee’s control of the entire surveillance system is an outlier. A copy of the New Jersey and Maryland Regulations are attached hereto as exhibit A and B respectively. The availability of surveillance system access in the Commission’s office at the gaming establishment as well as required protocols for gaining access and control of the licensee’s surveillance system more than adequately allows for the Commission staff to investigate certain conduct while ensuring that the licensee can maintain the continuous level of surveillance necessary to ensure the integrity of gaming and the safety of guests at the gaming establishment. As such, 205 CMR 142.02(2), should be deleted from the draft regulation.
- 205 CMR 142.04 provides for remote access to the CCTV system outside of the gaming establishment. Remote access from outside of the gaming establishment to the licensee’s surveillance system may expose the system to additional risk and points of access. Considering the additional risks to the system and added costs, remote access appears unnecessary considering the Surveillance Regulation requirements for recording, preserving and producing copies of surveillance records as well as access to the system from the Commission’s office at the gaming establishment. Regulations requiring such remote access are not common in other jurisdictions.
- We would respectfully request that the Commission add a provision that ensures the confidentiality of any surveillance records that are obtained or maintained by the Commission in connection with its investigative and oversight responsibilities to ensure that the privacy interests of the licensee’s guests are protected. At a minimum, surveillance records obtained from the licensee should be treated as confidential materials under the Commission’s regulations. See 205 CMR 103.00.

#### *205 CMR 141.03 CCTV Equipment*

- 205 CMR 141.03(3)(D) should recognize the need to reproduce events in black and white as well as color. Black and White images are necessary to detect certain unlawful conduct.

#### *205 CMR 141.04 Areas to be Monitored and Recorded*

- The threshold payout for monitoring a slot machines in section 205 CMR 141.04(B)(1) should be raised from \$35,000.00 or more to \$100,000 or more similar to the threshold used in Michigan.

#### *205 CMR 141.05 Requirements of the Surveillance System Plan*

- The minimum amount of time that a camera signal recording must be maintained should be reduced from 30 days to 14 days. The State of Nevada requires only 7 days and the State of Maryland requires 14 days retention.

*205 CMR 141.06 Notice to the Commission of Changes*

- Notification of equipment failure under section 205 CMR 141.06(3) should be conditioned “upon discovery” by the licensee.
- Also in 205 CMR 141.06(3), the term “security department” should be changed to “surveillance department.”

**Comments on 205 CMR 142.00: Regulatory Monitoring and Inspections**

*205 CMR 142.02 Administrative Monitoring and Inspections*

- The authority of the Commission to inspect records of affiliates should be further clarified. First, both the regulation and its statutory counterpart are silent as to the whether the power of the Commission extends to affiliates outside of the Commonwealth. *See* G.L.c. 23K, § 4(23). Considering differences and limits of authority, rights and immunities of state investigators or staff acting within and outside of the Commonwealth, the Commission should clarify that this provision applies to affiliates located within the Commonwealth and/or establish a separate procedure for obtaining records from affiliates outside of the physical jurisdiction of the state to the extent such records are relevant to the Massachusetts gaming operations. Second, this provision should be limited to records relating to the operation, financing or management of the Massachusetts licensee.
- Where the Commission obtains records during the course of its monitoring and inspection functions, the Commission should afford protections for these records in the form of a privilege as well as limit their use in unrelated civil litigation or other legal proceeding. Such safeguards will facilitate the flow of information between the licensee and the Commission and ensure that information obtained by the Commission under the scope of its responsibilities cannot be used for other purposes. As an example, Nevada Gaming Regulations provide:

Any communication or document of an applicant or licensee, or an affiliate of either, which is made or transmitted to the Board or Commission or any of their agents or employees to:

- (a) Comply with any law or the regulations of the Board or Commission;
- (b) Comply with a subpoena issued by the Board or Commission; or
- (c) Assist the Board or Commission in the performance of their respective duties,

is absolutely privileged and does not impose liability for defamation or constitute a ground for recovery in any civil action.

*See* NRS463.3407. The Commission should consider adding a similar provision or protection to 205 CMR 142.00.

- 205 CMR 142.02 (7) requires the licensee to provide “necessary security codes” to the commission staff to facilitate monitoring. While fully understanding the need to facilitate monitoring and inspections, disclosure of certain security information such as IT passwords may raise additional security and system integrity concerns. Rather than mandate the release of security codes, the regulations should be amended to require “access to any systems or location” as opposed to dictating the means by which access can be granted.
- In addition, a new provision should be added to 205 CMR 142.02 regarding access of credentialed members of the Commission staff. Generally, areas sought to be inspected and the information to be made available are extremely sensitive, and access is to be limited (for example see 205 CMR 141.09 regarding access to the surveillance room). Additional language regarding credentialed Commission staff would help avoid a licensee unknowingly permitting access to an imposter. A regulation similar to that found in Nevada Gaming Control Regulation 5.060: *Access to Premises and Production of Records* can address this concern:

Access to the areas and records which may be inspected or examined by Commission staff shall be granted to any Commission staff member who displays proper identification issued by the Commission.

- The Commission should also add a provision that ensures the confidentiality of any records that are obtained or maintained by the Commission in connection with its regulatory monitoring and inspection responsibilities to ensure that the privacy interests of the licensee’s guests and employees are protected as well as affording confidentiality to competitively sensitive information. At a minimum, all records obtained from the licensee should be treated as confidential materials under the Commission’s regulations. See 205 CMR 103.00.

Thank you for your attention to this matter. We are happy to provide additional input and information to the Commission as well as MGM’s experience in other jurisdictions with these issues.

Sincerely,

**BROWN RUDNICK LLP**



Jed M. Nosal

cc: Catherine Blue, General Counsel  
Todd Grossman, Deputy General Counsel  
John Ziembra, Ombudsman

**Exhibit A:**  
**New Jersey Surveillance Regulations**

**13:69D-1.10 Closed circuit television system; surveillance department control; surveillance department restrictions**

(a) Each casino licensee shall install in its establishment a CCTV system that shall be under the exclusive control of the surveillance department. A casino licensee shall provide the

Division:

1. Access to the CCTV system and its transmissions;
2. Use, as necessary, of any monitoring room contained in the establishment;
3. Display on the monitors in the monitoring room, and the Division's office, any event capable of being monitored on the CCTV system;
4. Capability to produce a video and, if applicable, audio recording of, and take a still photograph of, any event capable of being monitored on the CCTV system;
5. Recording(s) or photograph(s) in accordance with the directions of the Division;
6. Unfettered access to all recordings or photographs and, upon the request of the Division, the casino licensee and its personnel shall be denied access thereto; and
7. A monitoring room from which the Division may independently and, at the direction of the Division, exclusively control any camera.

(b) The CCTV system shall be approved by the Division and shall include, at a minimum, the following:

1. Light sensitive cameras, with lenses of sufficient magnification to allow the operator to read information on gaming chips, playing cards, dice, tiles, slot machine reel symbols, slot machine credit meters, and employee credentials, and with 360 degree pan, tilt and zoom capabilities without camera stops to effectively and clandestinely monitor in detail and from various vantage points, the following:
  - i. The gaming conducted at each gaming table in the casino and casino simulcasting facility and the activities in the casino and casino simulcasting facility pits;
  - ii. The gaming conducted at the slot machines in the casino;
  - iii. The operations conducted at and in the cashiers' cage, any satellite cage, and each office ancillary thereto;
  - iv. The operations conducted at and in the slot booths;
  - v. The operations conducted at automated coupon redemption machines;
  - vi. The operations conducted in the simulcast counter;
  - vii. The count processes conducted in the count rooms;
  - viii. The movement and storage of cash, gaming chips and plaques, drop boxes, bill validator boxes, slot cash storage boxes, slot drop boxes and slot drop buckets in the establishment;

- ix. The entrances and exits to the casino, casino simulcasting facility, count rooms and all critical locations as defined in N.J.A.C. 13:69D-2.1;
  - x. The gaming and operations associated with the conduct of keno on the casino floor and in the casino simulcasting facility and of keno booths, keno satellite booths and keno lockers;
  - xi. Equipment designated by the Division in conjunction with the operation of an electronic transfer credit system, a gaming voucher system pursuant to and a slot monitoring system approved to conduct manual slot payouts;
  - xii. The operation of automated jackpot payout machines, gaming voucher redemption machines, gaming voucher systems and electronic transfer credit systems; and
  - xiii. Such other areas as the Division designates;
1. Video recording equipment which, at a minimum, shall:
- i. Permit the preservation and viewing of a clear copy of the transmission produced by any camera connected to the CCTV system;
  - ii. Be capable of superimposing the time and date of the transmission on each recording made by the video recording equipment; and

- iii. Enable the operator to identify and locate, through the use of a meter, counter or other device or method, a particular event that was recorded;
3. Recording media, which shall be replaced immediately upon the manifestation of any significant degradation in the quality of the images or sound, if applicable, recorded thereon; provided, however, where videotape is utilized, it shall be used for no more than one year;
4. Audio capability in the soft count room;
5. One or more monitoring rooms in the establishment which, through the surveillance department employees or agents assigned thereto by the casino licensee shall constantly monitor the activities in the casino, the casino simulcasting facility and elsewhere in the establishment where CCTV coverage is available;
6. An emergency power system that can be used to operate the CCTV system in the event of a power failure, such power system to be tested at 12-month intervals subject to more frequent re-testing upon failure of a test; and
7. A preventive maintenance program, implemented by technicians subject to the direction and control of the director of surveillance, which ensures that the entire CCTV system is maintained in proper working order and that transparent covers over CCTV system cameras are cleaned in accordance with a routine maintenance schedule. In the event that



preventive maintenance to be performed by a technician assigned to another department is required on an emergency basis, the surveillance department shall have priority with respect to personnel resources of such other department to ensure the efficacy of the CCTV system.

(c) All areas, including gaming tables and pits, where CCTV system camera coverage is required by the Division shall contain continuous lighting that is of sufficient quality to produce clear video recordings and still picture reproductions.

(d) A casino licensee's CCTV system shall be required to record, during the times and in the manner indicated below, all transmissions from cameras used to observe the following locations, persons or transactions:

1. All gaming tables whether active or inactive;
2. Each transaction conducted at a cashiering location;
3. Each simulcast and keno window that is open for business;
4. Such main bank areas where gross revenue functions are performed as may be required by the Division;
5. The execution of fills and credits at the chip bank;
6. The collection of drop boxes, slot drop boxes and slot cash storage boxes and the count of the contents therein;
7. Any armored car collection or delivery of cash for which security escort or surveillance coverage is required;
8. The inspection and distribution to gaming pits of cards, dice and tiles;

9. The retrieval of cards, dice and tiles from gaming pits at the end of the gaming day and their delivery to the location designated and approved for inspection, cancellation, destruction or, if applicable, reuse;
10. Each transaction conducted at an automated bill breaker, voucher/coupon redemption and jackpot payout machine, as well as each replenishment or other servicing of any such machines; and
11. The entrances and exits to the casino, casino simulcasting facility, count rooms and all critical locations as defined in N.J.A.C. 13:69D-2.1.

(e) In addition to any other requirements imposed by this section and in accordance with the time parameters specified herein, a casino licensee's CCTV system shall be required to record transmissions used to observe the face of each patron transacting business at each of its cashiers' cage and satellite cage windows from the direction of the cashier.

(f) Whenever a casino licensee replaces or modifies a slot machine or gaming table on the casino floor or other restricted areas which does not require CCTV inspection by the Division pursuant to N.J.A.C. 13:69C, the surveillance department shall conduct an inspection as to the sufficiency of the CCTV coverage. The director of the surveillance department shall prepare and submit to the Division's in-house office prior to implementation a written certification attesting that the inspection was conducted and the coverage was sufficient.

(g) A surveillance monitoring room shall:

1. Contain such equipment and supplies as may be required by the Division, taking into consideration current developments in electronic and

computer technology, for the effective performance of the activities to be conducted therein including, without limitation:

- i. A communication system capable of monitoring all casino security department activities; and
  - ii. If computerized monitoring systems are used by the casino licensee in its gaming operations, view-only terminals which allow access to information concerning cage, slot and table games operations;
2. Be connected to all casino alarm systems, which may provide a visible, audible or combination signal; provided, however, that any robbery or other emergency-type alarm shall be perceptually distinguishable from all non-emergency alarm types in a manner approved by the Division (for example, robbery alarm is the only audible alarm);
3. Contain an updated photo library, consisting of photographs that are no more than four years old, of all current employees of the casino licensee, which photo library shall be available to the Division upon request; and
4. Contain and have readily accessible to all monitoring room personnel and representatives of the Division an updated operational blueprint depicting all areas of the casino, the casino simulcasting facility and elsewhere in the casino licensee's establishment where CCTV coverage is available.

(h) Each casino licensee shall maintain a surveillance log of all surveillance activities in the monitoring room. The log shall be maintained by monitoring room personnel and shall be stored securely, in a manner approved by the Division, within the surveillance department in accordance with the retention schedule. The surveillance log shall be available for inspection at any time by Division agents. At a minimum, the following information shall be recorded in a surveillance log:

1. The date and time each surveillance commenced;
2. The name and license credential number of each person who initiates, performs or supervises the surveillance;
3. The reason for surveillance, including the name, if known, alias or description of each individual being monitored, and a brief description of the activity in which the person being monitored is engaging;
4. The times at which each video or audio recording is commenced and terminated;
5. The time at which each suspected criminal offense is observed, along with a notation of the reading on the meter, counter or device specified in (b)2iii above that identifies the point on the video recording at which such offense was recorded;
6. The time of termination of surveillance; and
7. Summary of results of the surveillance.
  - i. Each casino licensee shall have a contingency plan, as part of its approved internal controls submitted to the Division, to be

utilized whenever there is an equipment failure that affects the casino licensee's monitoring room or CCTV system operations.

8. The Division and the casino security department shall be notified immediately of any equipment failure, including the time of the failure, cause if known, and any communications with the casino security department relating to the failure, in accordance with the casino licensee's internal controls. In addition, the Division shall be notified prior to:

- i. Relocation of an approved camera;
- ii. A change in an approved camera's specifications;
- iii. A change in lighting for areas approved for CCTV camera coverage; and
- iv. An addition or change to the CCTV system and computer equipment in the monitoring room.

(j) CCTV system recordings shall be retained for a minimum of seven days and shall be made available for review upon request by the Division. For the count of gross revenue, audio recordings shall be retained for a minimum of seven days and video recordings shall be retained for a minimum of 30 days. In addition, any such recordings which are determined by Division agents to be of potential evidentiary value shall be retained and stored pursuant to Division directives.

(k) All CCTV system transmissions shall be secure and, with the exception of wide area progressive monitoring, restricted to the licensed casino hotel facility; provided, however,

the Director or his or her Division designee may, by written order, authorize specific transmissions outside of the casino hotel facility, on a case-by-case basis.

(l) Each CCTV system operator in the monitoring room shall work from his or her own monitoring station. Minimum standards for the CCTV system used to monitor casino and casino simulcasting facility operations shall be detailed in a casino licensee's surveillance submission to be approved by the Division, which shall ensure effective casino surveillance for the casino licensee. One operator shall be required for every 40,000 square feet of casino floor space unless otherwise authorized by the Division. Such operators shall be responsible for the casino floor and restricted locations.

1. Surveillance department employees assigned to monitor the activities shall be independent of all other departments. No present or former surveillance department employee shall accept employment with the same casino hotel or prospective casino hotel in which the surveillance department employee was previously employed or within any other casino hotel or prospective casino hotel whose surveillance department is under the operational control of the same person who controlled the surveillance department in which the surveillance department employee had been previously employed, unless one year has passed since the former surveillance department employee worked in the surveillance department. The Division may, upon receipt of a written petition, waive this restriction and permit the employment of a present or former

surveillance department employee in a particular position after consideration of whether:

- i. The former surveillance department employee will be employed in a department or area of operation that the surveillance department does not monitor;
  - ii. The surveillance and security systems of the casino licensee will not be jeopardized or compromised by the employment of the former surveillance department employee in the particular position; and
  - iii. The former surveillance department employee's knowledge of the procedures of the surveillance department would facilitate the commission by any person of irregularities or illegal acts or the concealment of any such actions or errors.
2. Entrances to the CCTV system monitoring rooms shall not be visible from the casino area or casino simulcasting facility. In addition, access by employees of the casino licensee to the monitoring room or any other designated area capable of receiving CCTV transmission shall be prescribed by internal controls approved by the Division. Any person, other than an employee of the Division, who enters any monitoring room or such designated area who is not a surveillance department employee shall sign the Monitoring Room Entry Log upon entering the restricted area. The Monitoring Room Entry Log shall be:

- i. Kept in the CCTV monitoring room;
- ii. Maintained in a book with bound numbered pages that cannot be readily removed. The book shall include, at a minimum:
  - (1) The date and time of entering into the monitoring room or designated area;
  - (2) The entering person's name and his or her department or affiliation;
  - (3) The reason for entering the monitoring room or designated area;
  - (4) The name of the person authorizing the person's entry into the monitoring room or designated area; and
  - (5) The date and time of exiting the monitoring room or designated area; and
- iii. Made available for inspection by the Division at all times.



**Exhibit B**

**Maryland Surveillance Regulations**

36.03.11.03

**1. .03 Facility Design Standards.**

A. A facility operator shall, at its own expense, construct its facility in accordance with specifications established by the Commission, including:

- (1) Computer space for the central monitor and control system contractor that is:
  - (a) Equipped with heating, ventilation, and air conditioning;
  - (b) Supplied with power including an uninterruptible backup power supply;
  - (c) Secured with a key or alternative locking mechanism maintained and controlled by representatives of the Commission and central monitor and control system operator in accordance with this subtitle;
  - (d) Equipped with a door that, when opened, audibly signals the facility operator's surveillance monitoring room; and
  - (e) Covered by a surveillance system enabled to record all entry and exit to the computer space and activity in the area;
- (2) Equipment storage space for the central monitor and control system contractor;
- (3) Equipment storage and repair space for video lottery terminal contractors;
- (4) Cable infrastructure access to the gaming floor;
- (5) All necessary wiring for the gaming floor, except that wiring which the Commission requires to be installed by a Commission contractor;
- (6) A base and high backed seat for each video lottery terminal;
- (7) At least 400 square feet of office space for use by Commission staff that is located immediately adjacent to the gaming floor and is equipped with:
  - (a) Partitioned work space, computers, telephones, copy capability, and supplies sufficient to meet the Commission's data processing and related needs;
  - (b) Computer terminals permitting read only access by authorized Commission staff to any computerized slot monitoring system, casino management system, or player tracking system used by the facility operator; and
  - (c) Keys or alternative locking mechanisms which are under the exclusive control of the Commission;

(8) A surveillance system approved in writing by the Commission that is:

(a) Configured to provide surveillance of all video lottery terminal and table game related activities within the facility in accordance with standards established by the Commission;

(b) Enabled with a digital video recording format in accordance with standards established by the Commission; and

(c) Equipped with a monitoring station for the exclusive use of the Commission which is configured with full camera control capability over the surveillance system and is capable of overriding the camera control capability of the facility operator;

(9) An alarm system connected to all emergency exits from the gaming floor which:

(a) Produces a distinguishable warning sound that is discernible in the vicinity of an exit when the emergency door is opened; and

(b) Requires deactivation and reset by means of a key or alternative locking mechanism maintained and controlled by the security department;

(10) An area for the detention of individuals taken into custody by any law enforcement agency that has jurisdiction over the facility;

(11) Adequate space for use by the Commission in connection with conducting background investigations of applicants or licensees;

(12) Any signage required by the Commission;

(13) Communication systems capable of effecting timely communication between the facility and the Commission, law enforcement exercising proper jurisdiction over the facility, and emergency first responders; and

(14) Any other equipment or design feature required by the Commission.

#### B. State Lottery Games.

(1) A facility operator shall provide at least two locations at the facility for the sale of State Lottery games that are offered by or through the Commission.

(2) State Lottery game sales locations shall be situated as near as practicable to a cashiers' cage.

36.03.11.04

## **2. .04 Table Games Surveillance Requirements.**

A. Surveillance System. In addition to the surveillance system requirements in Regulation .03 of this chapter and COMAR 36.03.10, a facility operator that offers table games shall have a surveillance system that includes:

(1) Light sensitive cameras with lenses of sufficient magnification to allow the certificate holder to clandestinely monitor in detail:

(a) The gaming conducted at each gaming table in the licensed facility with sufficient clarity and coverage to simultaneously:

(i) Identify patrons and dealers; and

(ii) View the table and determine the configuration of wagers, card, dice and tile values and game outcomes;

(b) The movement of cash, gaming chips, and plaques, tip boxes, and drop boxes within the facility; and

(c) Any other activity or areas designated by the Commission; and

(2) Stationary cameras dedicated to table games, including:

(a) Except for Craps, Baccarat, Roulette and Big Six Wheel, at least one stationary camera for each table game offered by the facility;

(b) At least two stationary cameras for each Craps table, with one camera covering each end of the table;

(c) At least two stationary cameras for each Baccarat table, with one camera covering each end of the table;

(d) At least two stationary cameras for each Roulette table, with one camera covering the Roulette wheel and one camera covering the Roulette table layout;

(e) At least two stationary cameras for each Big Six Wheel, with one camera covering the Big Six Wheel and one camera covering the Big Six Wheel table layout; and

(f) Additional cameras as required by the Commission, which may include cameras with 360-degree pan, tilt, and zoom capabilities.

B. Required Recordings. A facility's surveillance system must continuously record transmissions from cameras used to observe the:

- (1) Gaming conducted at table games;
- (2) Collection of drop boxes and tip boxes;
- (3) Distribution of cards, dice, and tiles to gaming pits;
- (4) Inspection of cards, dice, and tiles in the gaming pits and at the gaming tables;
- (5) Retrieval of cards, dice, and tiles from the gaming pits at the end of the gaming day; and
- (6) Delivery of cards, dice, and tiles to the location designated and approved by the Commission for inspection, cancellation, destruction, or, if applicable, packaging for reuse.

C. Retention.

- (1) The surveillance recordings required under §B of this regulation shall be retained for a minimum of 7 days.
- (2) A surveillance recording of suspicious activity, suspected or alleged regulatory violations, or suspected or alleged criminal activity shall be retained for a minimum of 30 days.
- (3) A surveillance recording shall be made available for review upon request by law enforcement.

D. Commission approval of monitoring rooms.

- (1) Prior to the commencement of table game operations, a facility shall submit to the Commission a revised minimum staffing submission for the facility operator's surveillance monitor rooms.
- (2) The minimum staffing submission must consider the size and layout of the licensed facility as well as the number of table games and must at all times provide for surveillance of activities inside and outside the licensed facility.
- (3) A facility operator may not implement a surveillance plan, or an amendment to a surveillance plan or minimum staffing submission, without prior Commission approval.



**PENN NATIONAL**  
GAMING, INC.

September 24, 2014

Mr. Rick Day  
Executive Director  
Massachusetts Gaming Commission  
84 State Street, 10th Floor  
Boston, MA 02109

**RE: Comments on Draft Rule 205 CMR 141– Surveillance**

Dear Executive Director Day:

We have reviewed draft regulation 205 CMR 141.00 titled: “*Surveillance of the Gaming Establishment*” and offer the following comments:

**§ 141.02: Commission Access to the Surveillance System**

The proposed regulation §141.02(2) would grant the Commission the authority to direct employees of the gaming establishment to vacate the surveillance monitoring room in the event that such presence would, in the determination of the Commission, compromise the integrity of an investigation. Plainridge Park Casino (PPC) has an obligation to continually safeguard assets and revenue through the use of surveillance monitoring, and is strongly opposed to any provision which would require PPC staff to totally vacate the surveillance monitoring room for any period of time.

PPC understands the Commission’s rationale for such a provision, in that the Commission may not want to “tip off” PPC staff to an ongoing investigation being conducted. However, PPC feels that several safeguards are already in place that can adequately address this concern. First, due to reporting line requirements within the organization, staff within the surveillance room are independent from the rest of the casino. In addition, Commission staff already have the ability to view, and independently control, the surveillance system from the onsite Commission office; there should be no additional need to clear the surveillance room of PPC staff to conduct an investigation.

Finally, this provision contradicts §141.05(12), which mandates that a surveillance employee is present in the room and monitoring activities any time the facility is conducting gambling activities.

The proposed regulation §141.02(4) would allow the Commission, or its designated staff, to access the surveillance system remotely from outside the gaming establishment. PPC cautions that such access increases the chances that unauthorized users can gain access to the system. We

have no issues with remote access to less sensitive ancillary areas such as outside storage facilities, but are concerned that allowing remote access to sensitive gaming related areas can lead to potential liability for both the Commission and the licensee.

As the surveillance system is housed and accessed on-site, PPC can reasonably assure that access is restricted to appropriate individuals. However, once remote access to the surveillance system is permitted, it creates the possibility that outside actors can attempt to access this extremely sensitive system. As has been demonstrated within the past year, the casino industry can be a target for both domestic and international computer hackers. PPC fears that hackers, with ever improving tools at their disposal, could bypass even the most sophisticated security measures and access the surveillance system; this access could allow the hackers to disseminate details about our restricted areas on property and allow the ability to manipulate camera coverage and retention.

If the Commission is insistent on remote access, PPC requests that clarification be added to the regulation detailing the level of cyber-security protocols that the Commission will employ to ensure that outside actors cannot hack into the surveillance remote access system.

These concerns also relate to the provisions §141.07 that pertain to Commission remote access.

### **§ 141.03: CCTV Equipment**

The proposed regulation §141.03(4) mandates that recording media be immediately replaced upon the manifestation of any significant degradation in the quality of the images or sound. PPC requests that this provision be amended to allow the replacement to occur within 8 hours of the manifestation of the degradation<sup>1</sup>.

If PPC discovers degradation in the quality of images or sound being recorded, it certainly has a responsibility to rectify the situation as expeditiously as possible. However, the present regulation would require the recording media to be immediately replaced. In practice, the facility needs time in order to determine the root cause of the problem and make other necessary repairs. An eight-hour window gives the operator an opportunity to correct any other issues before replacing the recording media.

The proposed regulation §141.03(3)(o) explains technical requirements for facial recognition recordings at various kiosks and machines. Self-redemption kiosks will already be under surveillance coverage from the main surveillance system. PPC seeks clarification if this section implies that PPC is required to have “facial recognition recordings” (i.e., cameras within the kiosks themselves, as opposed to overhead surveillance cameras). In addition, PPC seeks clarification if this section implies that PPC is required to have dedicated surveillance coverage of complimentary kiosk machines; as these kiosks are used for marketing purposes and do not perform critical or sensitive transactions, PPC feels that dedicated surveillance coverage at these comp kiosks is unnecessary.

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<sup>1</sup> *Pennsylvania currently allows a similar eight-hour window. See PGCB Statement of Policy §465b.1(3).*

## § 141.05: Requirements of the Surveillance System Plan

The proposed regulation §141.05(7) mandates that all cameras required in accordance with §141.04 shall be recorded and retained for a minimum of 30 days. PPC feels that coverage of certain sensitive transactions and areas is necessary to retain for 30 days; however, the expense and storage space necessary to retain all coverage for all cameras for thirty days places an unnecessary burden on the facility, as much of this coverage is not necessary after seven days. PPC proposes that retention of the following coverage areas be reduced to seven days<sup>2</sup>:

- §141.04(1)(A)(1) Slot machine play
- §141.04(1)(A)(3) Each simulcast window that is open for business
- §141.04(1)(B)(1) Progressive slot machine with potential payout of \$35,000 or more
- §141.04(1)(B)(4) Collection of slot boxes
- §141.04(1)(C)(2) Parking areas
- §141.04(1)(C)(3) Public (non-gaming) areas and entrances to gaming areas

As an alternative to these specifics, a provision that would allow more flexibility in retention periods could be added to the regulation similar to the following:

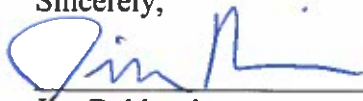
*The Commission reserves the right to permit a Gaming Licensee to retain surveillance recordings of certain areas for less than 30 days upon written approval of the Commission.*

The proposed regulation §141.05(10) prohibits the use of multiplexing and quad recording devices. PPC agrees with the provision. However, PPC requests that additional language be added to clarify that while multiplex or quad recording is prohibited, the use of multiplex or quad viewing of live video is permitted. In order to monitor as much of the gaming floor as possible at one time, surveillance agents typically view live camera feeds in a multiplex or quad arrangement. However, even with this view, each feed is being recorded as a single feed.

Again, PPC thanks the Commission for the chance to share our experience and to provide input into these proposed surveillance regulations.

If you have any questions or would like to discuss further, feel free to contact me at 610-401-2946.

Sincerely,



Jim Baldacci

Deputy Chief Compliance Officer

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<sup>2</sup> These retention periods are modeled after Pennsylvania requirements. See PGCB regulation 465a.9(j)





## **AMENDED SMALL BUSINESS IMPACT STATEMENT**

The Massachusetts Gaming Commission (“Commission”) hereby files this amended small business impact statement in accordance with G.L. c.30A, §5 relative to the proposed regulations in 205 CMR 142: Regulatory Monitoring and Inspections, for which a public hearing was held on October 7, 2014. These proposals were developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth. These regulations set forth the policies and standards regarding the administrative search and seizures by the Commission of the premises approved under a gaming license. These regulations are largely governed by M.G.L. 23K, §§1(1), (9); 4(9), (15-18), (20-24).

These regulations apply solely to the operators of a gaming facility and to the Commission itself. The Commission does not anticipate any impacts on small businesses resulting from these regulations. Accordingly, based on the principal subject matter of the regulations, there are no less stringent schedules or deadlines for compliance or reporting requirements for small businesses, consolidated or simplified compliance or reporting requirements for small businesses, performance standards for small businesses to replace design or operational standards required in the proposed regulations, or alternative regulatory methods to minimize adverse impacts on small businesses.

G.L. c.23K was enacted to create a new industry in the Commonwealth and to promote and grow local small businesses and the tourism industry, including the development of new small businesses such as lodging, dining, retail, cultural, and social facilities. The proposed regulations, as part of the overall process, are designed to effectuate those intentions and growth.

Massachusetts Gaming Commission  
By:

Danielle Holmes  
Attorney

Dated:



Massachusetts Gaming Commission

## 205 CMR: MASSACHUSETTS GAMING COMMISSION

### 205 CMR 142.000: REGULATORY MONITORING AND INSPECTIONS

#### Section

- 142.01: Scope of commission's authority
- 142.02: Monitoring and inspections by commission

#### 142.01: Scope of commission's authority to conduct administrative monitoring and inspections

- (1) The commission may monitor and conduct inspections as set forth in section 142.02 in order to effectuate the purposes of M.G.L. c. 23K.
- (2) The term *commission* in 205 CMR 142.00 shall include staff assigned to the IEB and any other designated staff of the commission.

#### 142.02: Administrative monitoring and inspections

- (1) The commission may inspect the premises approved under a gaming license at any time without prior notice in order to determine licensees' and registrants' compliance with M.G.L. c. 23K and with 205 CMR. Areas subject to inspection shall include, but not be limited to: all public areas; the gaming licensee's gaming area; cages; banks; count rooms; other secure facilities used for the counting and storage of cash, coins, tokens, checks, plaques, gaming vouchers, coupons, and devices or items of value used in wagering; areas used for the counting and storage of dice, cards, chips, and other representatives of value; security and surveillance offices; areas designated for and used by employees and vendors licensed and/or registered under M.G.L. c. 23K; and persons licensed and/or registered under M.G.L. c. 23K. The commission also may inspect without prior notice, during ordinary business hours or hours when in use, other areas such as gaming establishment executive and administrative offices and human resources offices.
- (2) The commission may, at the gaming establishment or at any place where the subject records are maintained, at any time and without prior notice, examine records of a gaming licensee's revenues and procedures and inspect and audit a gaming licensee's and/or a gaming vendor's books, documents, and records, including data maintained in electronic format.
- (3) The commission may, at any time and without prior notice, inspect all equipment and supplies in a gaming establishment.
- (4) The commission may, without prior notice and during ordinary business hours or hours when in use, inspect all equipment and supplies on premises, wherever situated,

## 205 CMR: MASSACHUSETTS GAMING COMMISSION

where gaming equipment is manufactured, stored, sold, or distributed for use in a gaming establishment.

(5) The commission may, without prior notice and during ordinary business hours or hours when in use, inspect, examine, photocopy, and audit all papers, books, and records, including data maintained in electronic format, of any affiliate of a gaming licensee or gaming vendor whom the commission reasonably suspects is involved in the financing, operation or management of the gaming licensee or gaming vendor; provided, however, that the inspection, examination, photocopying, and audit may, at the discretion of the commission take place on the affiliate's premises or elsewhere as deemed practicable by the commission and may, at the discretion of the commission, take place in the presence of the affiliate or its agent.

(6) The commission may seize and remove from the premises of a gaming licensee and impound any equipment, supplies, documents, and records, including data maintained in electronic format, for the purpose of examination and inspection.

(7) Acceptance of a license or certificate of registration issued by the commission constitutes consent for monitoring, examination, inspection, auditing, seizure, impoundment, and removal of items as set forth in 205 CMR 142.02. A licensee or registrant shall cooperate, grant the commission ready access, and make all reasonable efforts to facilitate monitoring and inspections as set forth in 205 CMR 142.02, including providing any necessary security codes and using reasonable efforts to facilitate interviews of licensees and registrants as deemed necessary by the commission. In the event that ready access is not granted, the commission may use reasonable means to gain prompt access.

(8) Nothing in 205 CMR 142.00 shall limit the commission from acting in accordance with any other statutory and/or regulatory authority.

### REGULATORY AUTHORITY

M.G.L. c. 23K, §§ 1(1), (9); 4(9), (15-18), (20-24)



October 20, 2014

Gayle Cameron, Commissioner  
James McHugh, Commissioner  
Bruce Stebbins, Commissioner  
Enrique Zuniga, Commissioner

**RE: Qualifier:** Robert DeSalvio

**Applicant:** Wynn MA, LLC

Dear Commissioners,

The Investigations and Enforcement Bureau has completed a probity background investigation on Robert DeSalvio a qualifier for Wynn MA, LLC. The recommendation of the IEB on suitability can be found below and all findings of fact relative to the investigation are in the attached report.

Recommendation by the Investigations and Enforcement Bureau:

- Suitable
- Suitable with conditions
- Unsuitable
- Hearing recommended to determine suitability

If applicable, the proposed conditions of suitability include:

- None
- Detailed below:
  1. \_\_\_\_\_
  2. \_\_\_\_\_
  3. \_\_\_\_\_

Respectfully submitted,

Karen Wells  
Director  
Investigations and Enforcement Bureau  
Massachusetts Gaming Commission



Massachusetts Gaming Commission



*Investigations & Enforcement Bureau*

## **INVESTIGATION REPORT- INDIVIDUAL QUALIFIER**

**Qualifier Name: Robert J. DeSalvio**

**Qualifier Position: Senior Vice-President of Development, Wynn Resorts**

**Qualifier Entity: Wynn, MA**

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**Primary Investigator:** Lt. Kevin M. Condon

**Financial Investigator:** Edward Jay

The Investigations & Enforcement Bureau (IEB) of the Massachusetts Gaming Commission (MGC) has conducted a probity investigation on Robert J. DeSalvio. Mr. DeSalvio was hired by Wynn Resorts, Ltd in March 2014 as Senior Vice-President of Development for Wynn Resorts Development and determined to be an individual qualifier for the Massachusetts Category 1 applicant, Wynn, MA.

### **1. Qualifier's Name and Verified Information**

Research of available online public records and documents provided by Robert J. DeSalvio has verified the following information:

**Name:** Robert John DeSalvio

**Date of Birth:** [REDACTED]

**Address:** [REDACTED]

**Social Security Number:** [REDACTED]

Research revealed that Social Security Number [REDACTED] was issued in [REDACTED] and is listed and has been verified. Pursuant to a supplemental document request, Mr. DeSalvio provided a birth certificate indicating that he was born in New Jersey on [REDACTED]. Mr. DeSalvio also provided an electric bill (PPL Electric Utilities) identifying his place of residence as [REDACTED]. During the course of this investigation, Mr. DeSalvio disclosed that his property in [REDACTED] documents [REDACTED] were forwarded to IEB.



Massachusetts Gaming Commission

Additional research revealed the following possible addresses associated with Mr. DeSalvio:

[REDACTED]

[REDACTED]

**2. Employment History**

Robert DeSalvio is currently the Senior Vice-President of Development of Wynn Resorts Development, LLC which is a subsidiary of Wynn Resorts, Ltd. Mr. DeSalvio has been employed in this position since March 2014. Prior to his employment with Wynn, Mr. DeSalvio was the President of Sands Casino Resort in Bethlehem, PA from November 2006 until his employment with Wynn in March 2014. Below is Mr. DeSalvio’s complete employment history:

Company	Dates		Title/Position Held
	From	To	
Caesars Atlantic City, NJ	04/1979	11/1981	Sales Manager
Bally Atlantic City, NJ	11/1981	05/1983	National Sales Manager
Sands Atlantic City, NJ	05/1983	09/1997	Executive VP of Marketing, Director Casino Marketing, Credit Exec/Host
Foxwoods Resorts Connecticut	09/1997	09/2006	Executive VP of Marketing, Vice-President of Marketing
Las Vegas Sands Bethlehem, PA	11/2006	03/2014	President of Sands Casino Resort
Wynn Resorts Dev. Las Vegas, NV	03/2014	Present	Senior Vice-President of Development

**3. Criminal Record**

Robert DeSalvio indicated in his MGC application (#28) that he has never been arrested or charged with any crime or offense in any jurisdiction. A state and federal criminal record check (fingerprint submission) on Mr. DeSalvio were conducted confirming no criminal history.

#### 4. Education

Robert DeSalvio disclosed on question #11 in his MGC application that he obtained a B.S. in Business Administration from the University of Denver, in Denver, Colorado in March of 1978. A check with the National Student Clearinghouse confirmed that Mr. DeSalvio received a B.S.B.A. degree in Hotel & Hospitality from the University of Denver on March 11, 1978.

#### 5. Professional and Gaming Licenses

Robert DeSalvio disclosed on his MGC application (#24) that he has been licensed or registered to participate in some form of gaming in four (4) jurisdictions. A check with New Jersey, Connecticut, Nevada and Pennsylvania confirmed the following licenses and their status:

Licensing Agency	Type	Date of License		Status	License or Permit Number
		Issued	expires		
NJ Casino Control Commission	Casino Key Employ.	10/10	10/15	-----	7220-11
	Casino Key Employ.	5/95	5/99	Expired	2012-11
	Hotel Registration	11/21/84	-----	-----	9914-40
CT Div. of Spec. Revenue	State Key (Foxwoods)	09/09/97	09/29/06	Terminated	982180
Nevada Gaming Control Board	Gaming Employee Registration	N/A	N/A	Expired	Inactive, Registered Gaming Employee
PA Gaming Control Board	Casino Key License	02/27/07	02/27/08	Expired	8431-1
		02/20/09	02/19/12	Expired	8431-2
		08/18/11	08/17/14	inactive	8431-3

All of Mr. DeSalvio’s licenses were in good standing and all jurisdictions reported “NO” derogatory information related to Mr. DeSalvio’s licensure.

#### 6. Directorships and Stockholdings

Robert DeSalvio disclosed in his MGC application (#12) that he currently holds the title of Settlor for the Robert J. DeSalvio Family Trust dated August 9, 1996 of which he earns no compensation.

#### 7. Civil Litigation Records

Research of available online civil records, judgments, liens, and UCC filings in the United States has revealed no records personally naming Mr. DeSalvio.

### 8. Bankruptcy

[REDACTED] A bankruptcy search of available online records relative to Mr. DeSalvio, was conducted with negative results.

### 9. Property Ownership

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

### 10. Credit

A credit background investigation was conducted on Robert J. DeSalvio, [REDACTED] which revealed the following:

[REDACTED]

[REDACTED]

[REDACTED]



No bankruptcies, civil lawsuits, liens or judgments were located.

### 11. Financial Suitability Evaluation

We conducted an evaluation of Robert DeSalvio’s financial integrity, responsibility and stability by focusing on two areas, namely, his net worth statement as disclosed in his PHD filed with the Massachusetts Gaming Commission as of April 29, 2014, and through a review of his sources of income as reported in his MGC application and his income tax returns filed for the years 2009 through 2013.

#### Income Analysis

Below is a summary of key income and deductions reported on tax returns submitted for the years 2009 – 2013.

	2013	2012	2011	2010	2009
Wages (a)					
Taxable Interest					
Ordinary Dividends (b)					
Qualified Dividends (c)					
Capital Gains/Losses (d)					
Total Income					
AGI					
Total Itemized Deductions					
Exemptions					
Taxable Income					
Tax					
Credits					
Other Taxes					
Total Tax (e)					

#### Discussion

[REDACTED]

(a) Salaries and Wages

[REDACTED]

[Redacted]

(b) and (c) Dividend Income

[Redacted]

(d) Capital Gains and Losses

[Redacted]

[Redacted]

[Redacted]

(e) Total Itemized Deductions

[Redacted]

(f) Federal Income Tax

[Redacted]

**Net Worth Analysis**





## **Liabilities**

### **12. Applicant's Financial Condition**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] The investigation substantially corroborated what was reported on his PHD, based on review of his tax returns and other documents submitted.

### **13. Conclusion as to Applicant's Financial Stability and Integrity**

Mr. DeSalvio is a qualifier for Wynn MA LLC due to his executive position with Wynn Resorts Development, LLC. As such, he is not expected to make any capital contribution to Wynn MA LLC its pursuit of a casino license. No other information was uncovered which would otherwise preclude him. He was found to possess the requisite financial integrity, responsibility and financial stability to be found suitable to participate in the proposed project.

### **14. 2001 Foxwoods Matter**

When Mr. DeSalvio was the Senior Vice President of Marketing at the Mashantucket Pequot Foxwoods Casino, he was subject to licensure and was licensed by the Connecticut Division of Special Revenue. In January of 2001, the Connecticut Division of Special Revenue notified Mr. DeSalvio of a matter that came to its attention (through a State Police investigation) involving allegations that on March 20, 1999, Mr. DeSalvio authorized two cash vouchers in the amount of \$22,500 each and three cash reimbursements in the amounts of \$20,000, \$37,500, and \$50,000, allegedly in contravention of governing standards and controls of the Mashantucket Pequot Tribal Nation.

In February, 2001, Mr. DeSalvio and three other Foxwoods senior executives entered into an agreement with the Connecticut Division of Special Revenue under which Foxwoods paid \$20,000 to the Division of Special Revenue on behalf of Mr. DeSalvio and the three other executives "in full and final settlement of this matter." As part of the agreement, Foxwoods did not contest the fact that the voucher/reimbursement transactions occurred, and also acknowledged that its governing standards and controls were not entirely clear, i.e., "were subject to different interpretations which could lead to misapplication." The

agreement also states that Foxwoods “has since revised and clarified” the policies and procedures.

The IEB interviewed Mr. DeSalvio on August 28, 2014. His explanation follows. It is common practice all over the world for casinos to give high end VIP players some sort of discount on what they owe on their credit. For example, if a VIP player loses half a million dollars, the casino might negotiate a discount of \$50,000, so when the VIP settles up with the casino, he or she might pay \$450,000 instead of \$500,000, with the remainder being written off by the casino as a discount on the marker. At the time, there was ambiguity in Foxwoods’ Standards of Management (SOMs) as they related to discounts for VIP players: the SOMs were silent on cash comps for customers, neither expressly allowing nor prohibiting them. Consequently, the process that was used for some high end VIP players was to allow them to purchase an item outside of the casino property costing an agreed-upon amount, i.e., the amount that would be discounted on the marker, and then submit the receipt for the item to the casino cage, where Mr. DeSalvio would approve the receipt for the casino discount. Some casino customers were arrested for, as explained by Mr. DeSalvio, inflating the receipts vis a vis the actual cost of the items. However, Foxwoods did not view itself as having been defrauded in these matters, because it had agreed with the customers on the amounts to be discounted. As a result, the state prosecutor’s office dropped the criminal charges against the casino customers, and Foxwoods formalized the discount program in its SOMs and entered into the agreement with the Division of Special Revenue.

After the agreement was signed in February, 2001 DeSalvio remained licensed and in good standing with the Connecticut Division of Special Revenue until September of 2006, when he left to become president of Sands Bethworks in Bethlehem, Pennsylvania. As President of Sands, DeSalvio was licensed with the Pennsylvania Gaming Control Board from 2007 until he resigned in 2014 to begin his employment with Wynn Resorts.

## 15. Qualifier References

<u>Name</u>	<u>Address</u>	<u>Telephone Number</u>
[REDACTED]		

The above-named references were contacted and queried regarding the character and integrity of Mr. DeSalvio. All three references advised that Mr. DeSalvio was of the highest character and integrity. [REDACTED]

[REDACTED] References provided no derogatory information pertaining to Mr. DeSalvio. Each of the references spoke of him in glowing terms and held him in highest regard.

## 16. Political Contributions

Research of the applicant's political donations was conducted through available on-line sources. All identified contributions appear to be in compliance with 205 CMR 108.00. Research revealed no record of Mr. DeSalvio making political contributions to any Massachusetts State or local officials. During an interview with IEB, DeSalvio reiterated that he has not made any contributions to any Massachusetts politician or campaign. He added that although he has made political contributions in the past, he has stopped making them because of the scrutiny.

### **17. Media Coverage**

- Several articles were found regarding a 2001 Connecticut State Police Investigation on cash vouchers/reimbursements paid to VIP's at Foxwoods in which Robert DeSalvio was named (see paragraph #14 "2001 Foxwoods Matter").
- Numerous articles on Robert DeSalvio's (president) resignation from Sands Bethlehem and his hiring with Wynn Resorts Development. Nothing negative.

### **18. Qualifier Interview**

On Thursday, August 28<sup>th</sup>, 2014 Robert DeSalvio was interviewed by Lt. Kevin Condon and Financial Investigators Ed Jay and Vanessa Orso (IEB) relative to his application. Also present were Jackie Krum (WRD) and Tpr. Jeff Lenti (IEB). The interview was conducted at the Investigations & Enforcement Bureau located at 84 State Street, 10<sup>th</sup> floor, Boston. The interview was tape recorded. During the interview DeSalvio was asked to summarize his history of licensing and employment within the gaming industry. He also provided an explanation of his involvement in a 1999 NJSP investigation while he was employed as an executive at Foxwoods Resorts in Connecticut (Refer to para. #14 "2001 Foxwoods Matter"). During the interview, DeSalvio was also asked about, and clarified several areas related to his finances and investments (refer to CD of entire DeSalvio interview located in case file).

### **19. Conclusion**

Based on the information learned during the course of this investigation, there were no known facts that would disqualify Robert J. DeSalvio based on any of the criteria listed in the gaming laws or regulations.

Respectfully submitted,

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Lt. Kevin M. Condon #2141  
Investigations & Enforcement Bureau  
Massachusetts Gaming Commission



205 CMR: MASSACHUSETTS GAMING COMMISSION  
UNIFORM STANDARDS OF ACCOUNTING PROCEDURES  
AND INTERNAL CONTROLS

Section

*General*

138.01: Definitions

Submissions to the Commission

138.02: Licensee's system of internal controls

138.03: Records regarding company ownership

138.04: Gaming licensee's organization

138.05: System for Ensuring Employees are Properly Licensed or Registered

138.06: System for Business Dealings with Vendors

138.07: Floor plans of the gaming area, gaming establishment simulcasting facility and  
restricted areas

*Gaming Licensee Records*

138.08: Accounting records

138.09: Retention, storage and destruction records

*Gaming Licensee Organization/Personnel*

138.10: Jobs compendium submission

138.11: Personnel assigned to the operation and conduct of gaming

Patron Identification/Patron Complimentaries

138.12: Patron signature file; patron identification records

138.13: Complimentary services or items

*Security, Safety and Inspection in the Gaming Establishment*

138.14 Internal control procedures for security department

138.15: Internal control procedures for access badge system and issuance of temporary license credentials, and restricted areas

138.16: Access to public and restricted areas

138.17: Searches of employees and the workplace by the gaming licensee

138.18: Vendor access badges

138.19: Count rooms; physical characteristics; count protocols

138.20: Possession of firearms

138.21: Protection of minors

138.22: Critical incident preparedness plan

*Construction/design*

138.23: Drop boxes for table games and electronic table games; gaming table slot cash storage boxes

138.24: Cashiers' cage; satellite cages; master coin bank; coin vaults

138.25: Simulcast counter

138.26: Keys for dual locks; gaming licensee-controlled keys and locks; notice to the IEB and surveillance department upon malfunction and repair, maintenance or replacement

138.27: Capital expenditure plan

*Gaming Establishment Operations*

138.28: Gaming day

Area functions

138.29: Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults

138.30: Accounting controls within the simulcast counter

*Procedures*

138.31: Procedure for accepting cash and coupons at gaming tables

- 138.32: Table game drop boxes, transport to and from gaming tables; storage boxes
- 138.33: Removal of slot drop buckets, slot drop boxes and slot cash storage boxes; Unsecured currency; recording of meter readings for slot machine drop
- 138.34: Procedures for acceptance of tips or gratuities from patrons
- 138.35: Table inventory; table inventory container; chip reserve compartment
- 138.36: Procedures for counting table inventory, opening tables for gaming, shift changes at gaming tables, and closing gaming tables
- 138.37: Procedure for distributing and removing gaming chips, coins and plaques to gaming tables
- 138.38: Procedures for acceptance, accounting for, withdrawal and refund of patron deposits
- 138.39: Procedures for accepting, verifying and accounting for wire transfers and electronic fund transfers; wire transfer and electronic fund transfer fees; Procedures for sending funds by wire transfer or electric fund transfer
- 138.40: Procedure for acceptance of checks, cash equivalents and credit/debit cards; issuance of counter checks or slot counter checks
- 138.41: Redemption, substitution, and consolidation of counter checks or slot counter checks at the cashier's cage; redemption of counter checks at a gaming table
- 138.42: Acceptance of payments toward outstanding patron checks
- 138.43: Procedures for establishing patron credit accounts, and recording checks exchanged, redeemed or consolidated
- 138.44: Patron request for suspension of credit privileges 138.xx Procedure for depositing checks received from gaming patrons (Reserved)
- 138.45: Procedure for depositing checks received from gaming patrons
- 138.46: Procedure for collecting and recording checks returned to the gaming establishment after deposit
- 138.47: Automatic Teller Machines (ATM)

- 138.48: Procedure for opening, counting and recording contents of table drop boxes and slot cash storage boxes
- 138.49: Procedure for opening, counting and recording the contents of bill validator boxes, gaming voucher redemption machines, determination of gross revenue deduction
- 138.50: Temporary amendments for pit and slot zone reconfigurations or reconstitutions
- Slot Machines/Progressive Table Games*
- 138.51: Accounting controls for gaming voucher redemption machines
- 138.52: Slot Machines and bill changers; coin and token containers; slot cash storage boxes; entry authorization logs
- 138.53: Progressive slot machines
- 138.54: Linked slot machines interconnected in more than one gaming establishment; slot system operator; computer monitor
- 138.55: Inspection of slot machine jackpots
- 138.56: Attendant paid jackpots and credit meter payouts
- 138.57: Alternate procedures for a manual slot jackpot
- 138.58: Alternate forms of jackpot payments
- 138.59: Procedure for filling payout reserve containers of slot machines and hopper storage areas
- 138.60: Procedure governing the removal of coin, slot tokens and slugs from a slot machine hopper
- 138.61: Slot accounting requirements; electronic table games which accept gaming vouchers or coupons redeemed by gaming voucher system
- 138.62: Payment of table game progressive payout wagers; supplemental wagers not paid from the table inventory
- 138.63: Slot machines and bill changers; authorized locations; movements
- 138.64: Accounting controls for chip persons and chip

138.65: Accounting controls for gaming voucher redemption machines

138.66: Computerized gaming voucher systems; required procedures

*Miscellaneous*

138.67: Cashless wagering systems

138.68: Master lists of approved table games, movements of gaming equipment; amendments of operation certificates upon filing updated master

138.69: Signatures

138.70: Expiration of gaming-related obligations owed to patrons; payment to the Gaming Revenue Fund

138.71: Entertainment, filming or photography within the gaming establishment

138.72: Technical standards for count room equipment

138.73: Failure to abide by approved system of internal controls

## *GENERAL*

### 138.01: Definitions

As used in 205 CMR 138.00 the following words and phrases shall have the following meanings unless the context clearly indicates otherwise:

Annuity jackpot means any slot machine jackpot offered by a gaming licensee, wide area progressive or multi-state progressive slot system whereby a patron wins the right to receive cash payments at specified intervals in the future.

Asset number means a unique number permanently assigned to a slot machine and a slot cash storage box for purposes of tracking that machine and storage box while owned by a gaming licensee.

Authorized instrument means a cash equivalent, a casino check, a casino affiliate check, an annuity jackpot trust check or a replacement check.

Automated coupon redemption machine means any mechanical, electrical or other device which operates independently of a slot machine and which, upon insertion of a valid casino coupon or currency, dispenses an amount of coin or slot tokens equivalent to the face value of the coupon or currency, and which immediately upon exchange cancels the coupon.

Bank is defined in M.G.L. c.167B, §1.

Cage supervisor means any person who supervises personnel and functions within the cashiers' cage.

Cash means currency or coin.

Cash equivalent means a:

- (1) Certified check, cashier's check, treasurer's check, recognized travelers check or recognized money order that:
  - (a) Is made payable to the gaming licensee where presented, a holding company of the gaming licensee, "bearer" or "cash";
  - (b) Is dated, but not postdated; and
  - (c) Does not contain any endorsement.
- (2) Certified check, cashier's check, treasurer's check or recognized money order that:
  - (a) Is made payable to the presenting patron;
  - (b) Is endorsed in blank by the presenting patron;
  - (c) Is dated but not postdated; and
  - (d) Does not contain any endorsement other than that of the presenting patron; or

(3) Recognized credit card or debit card presented by a patron.

Cashiering location means any window in an enclosed structure within the gaming establishment from which a gaming employee conducts gaming or simulcasting cashiering transactions with patrons or employees including, without limitation, a cashiers' cage, satellite cage, master coin bank, coin vault, simulcast counter, ancillary simulcast counter, slot booth, coin redemption booth, jackpot/hopper window and keno booth.

CCTV system location means any location in the gaming establishment, not controlled by commission employees, that has been approved by the commission to receive transmissions from the surveillance department's CCTV system, as described in 205 CMR 141.00, including, without limitation, CCTV system monitoring rooms, surveillance department offices, CCTV system repair areas, and CCTV system emergency facilities.

Check is defined in M.G.L. c.106, section 3-104.

Checking account is defined in **138.xx**.

Chief gaming executive means the individual employed by a gaming establishment who is responsible for the daily conduct of a gaming licensee's gaming business. Unless the chief gaming executive also serves as the chief executive officer of the gaming licensee, the chief gaming executive shall report directly to the chief executive officer of the gaming licensee.

Closer means the original of the Table Inventory Slip upon which each table inventory is recorded at the end of each shift.

Compensation means direct or indirect payments for services performed including, but not limited to, salary, wages bonuses, deferred payments, and overtime and premium payments.

Credit card cash transaction means a transaction in which a patron obtains cash or slot tokens from a cashier by presenting a recognized credit card.

Debit card cash transaction means a transaction in which a patron obtains cash or slot tokens from a cashier by presenting a recognized debit card.

Derogatory information means issues that have a negative bearing on one's casino credit including such things as a patron credit account being partially or completely uncollectible, checks returned unpaid by the patron's bank, settlements, liens, judgments, other credit problems of the patron, or any other information provided by a gaming licensee's security or surveillance department.

Electronic fund transfer is defined in M.G.L. c.167B, §1.

Handle means the total value of coins, slot tokens, including foreign slot tokens, currency, coupons, gaming vouchers, and electronic credits invested by a patron to activate the play of a slot machine.

Identification Credential means driver's license, government issued identification, passport or other photo identification which contains, at a minimum, the person's signature.

Imprest means the basis on which cashiers' cage and slot booth funds are replenished from time to time in exactly the value of the net of expenditures made from the funds and value received. A review is made by a higher authority of the propriety of the expenditures before the replenishment.

Incompatible function means a function, for accounting control purposes, that places any person or department, in a position to both perpetrate and conceal errors or irregularities in the normal course of his duties. Anyone recording transactions and having access to assets ordinarily is in a position to perpetrate errors or irregularities. Persons may have incompatible functions if such persons are members of departments which have supervisors not independent of each other.

Master Game Report or Stiff Sheet means a record of the computation of the win or loss or, for the game of poker, the poker revenue, for each gaming table, each game, and each shift.

Multi-state jackpot means any progressive slot machine jackpot offered by one or more casino licensees in conjunction with a licensee from another jurisdiction pursuant to a multi-state progressive slot system agreement.

Opener means the duplicate copy of the table inventory slip upon which each table inventory is recorded at the end of each shift and serves as the record of each table inventory at the beginning of the next succeeding shift.

Outstanding patron check means any Counter Check, Slot Counter Check or replacement check that is not due for deposit or presentation pursuant to **138.xx** and has not in fact been deposited or presented for payment or redeemed by the drawer.

Pari-mutuel window net means the total value of credit vouchers issued and wagers placed on simulcast horse races at a pari-mutuel window less the total value of simulcast payouts at the same pari-mutuel window. Pari-mutuel window net shall be calculated by the totalisator.

Patron cash deposit means the total value of cash, cash equivalents, complimentary cash gifts, slot tokens, prize tokens, gaming chips or plaques deposited with a gaming licensee by a patron for his or her subsequent use pursuant to **138.xx**.

Patron check means a Counter Check, a Slot Counter Check or a replacement check.

Poker revenue means the total value of rake charged to patrons at all poker tables pursuant to 205 CMR.



Recognized credit card means a credit or charge card that:

- (1) Is issued by or under an agreement with a company that, as a normal part of its business, supplies its customers, either directly or through a national credit card network, with credit or charge cards that can be used for and are routinely accepted in consumer transactions;
- (2) Qualifies as a credit card for purposes of Regulation Z issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 226);
- (3) Expires on an expiration date that is imprinted on the card and is later than the date of the transaction for which the card is presented; and
- (4) Has a clearly visible registered credit card logo that is a permanent part of the card.

Recognized debit card means a debit card that:

- (1) Is issued by or under an agreement with a company that qualifies as a "depository institution" as defined in Section 19(b) of the Federal Reserve Act, 12 U.S.C., §461(b), and that, as a normal part of its business, supplies its customers, either directly or through a registered debit card verification agency, with access to funds maintained for the cardholder in such depository institution by means of a debit card that is routinely accepted in consumer transactions or used to obtain cash;
- (2) Qualifies as an access device for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and
- (3) Has a clearly visible registered debit card logo that is a permanent part of the card.

Redemption receipt is defined in **138.xx**.

Registered debit card verification agency means an organization that:

- (1) Verifies, upon request from a merchant, the validity and account sufficiency of a recognized debit card in the normal course of its business;
- (2) Is authorized to perform the verification for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and
- (3) A gaming licensee has identified in its internal controls as a company that will be used to verify recognized debit cards that are presented in debit card cash or chip transactions.

Registered electronic funds transfer company means an organization that:

- (1) Verifies, upon request from a merchant, the validity and account sufficiency of a recognized credit card in the normal course of its business;
- (2) Is authorized to perform the verification for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and
- (3) A gaming licensee has identified in its internal controls as a company that will be used to verify recognized credit cards that are presented in credit card cash or chip transactions.

Residual slot credit means a slot machine credit, on a slot machine equipped with tokenization, in an amount which is less than the denomination of the token that the slot machine is designed to accept and pay out, and which cannot be totally and automatically paid from the slot machine for that reason.

Scan means to attempt to verify a gaming voucher or coupon in a gaming voucher system or coupon acceptance system by utilizing a device that can read its bar code, or by manually inputting the serial number of the coupon or the validation number of the gaming voucher into the system.

Simulcast handle means the total value of currency, coin, gaming chips, slot tokens and coupons wagered by patrons on a simulcast horse race, less the total value of canceled or refunded tickets.

Simulcasting facility means the area of a gaming establishment where wagers are accepted on imported simulcast signals only pursuant to a license issued by the commission in accordance with M.G.L. c.23K, §7(b).

Slot machine drop means the total value of coins, slot tokens, and foreign slot tokens in a slot drop bucket or a slot drop box, the total value of currency, gaming vouchers and coupons in a slot cash storage box, and the total value of electronic credits withdrawn from patron accounts pursuant to **138.xx**, if applicable.

Slot machine win means the value determined by subtracting the hopper fills, other than initial fills of slot machine hoppers and hopper storage areas or any subsequent increases to those initial fills, cash payouts pursuant to **138.xx**, and gaming vouchers redeemed pursuant to **138.xx** from the slot machine drop.

Supervisor means a person employed in the operation of a gaming establishment in a supervisory capacity or empowered to make discretionary decisions which regulate gaming operations, including but not limited to, boxpersons, floorpersons, pit bosses, poker shift supervisors, table games shift managers, the gaming manager, and the assistant gaming manager.

Suspicious gaming voucher means any gaming voucher that appears to have been counterfeited, tampered with or altered in any way that would affect its integrity, suitability, validity or value.

Table game drop means the sum of the total value of currency, coin, coupons as calculated in accordance with 205 CMR.

Table game win or loss means the value of gaming chips and plaques and cash won from patrons at gaming tables less the value of gaming chips, plaques and coins won by patrons at gaming

tables other than poker tables and the value paid to patrons in cash or by gaming establishment check for progressive payout wagers as calculated in accordance with **138.xx** and **138.xx**.

Third party check means a check endorsed by its payee to another party who becomes the holder in due course.

Tokenization means the capacity of a slot machine to accept and pay out a slot token of a denomination that is greater in value than the denomination of a slot machine game contained within the slot machine, for example, a nickel slot machine game contained in a slot machine which only accepts and pays out \$1.00 tokens.

Unscanned gaming voucher means any gaming voucher that a gaming licensee elects to redeem when its gaming voucher system or any component thereof is inoperable and, as a result, the system is unable to determine the validity of the voucher.

Unsecured currency, unsecured gaming voucher, and unsecured coupon are defined in **138.xx**.

Unverified gaming voucher means any gaming voucher, other than a suspicious gaming voucher, that the gaming voucher system fails to verify and electronically cancel in the system when it is presented for redemption and scanned.

Wire transfer means a transfer of funds by means of the Federal Reserve Bank wire system in accordance with the requirements of 12 C.F.R. 210.25 *et. seq.*

### *Submissions to the Commission*

#### 138.02: Licensee's system of internal controls

- (1) At least 60 days prior to commencing operations a gaming licensee shall submit to the commission its proposed minimum system of internal procedures and administrative and accounting controls (hereinafter, "internal controls") in accordance with 205 CMR 138.02(4). Gaming operations may not be commenced until the submission is approved in accordance with 205 CMR 138.02(2).
- (2) The commission shall refer the proposal submitted in accordance with 205 CMR 138.02(1) to the Executive Director who shall review the submission for compliance with M.G.L. c.23K, 205 CMR 138.00 and other applicable sections of 205 CMR referenced therein. Upon completion of review the Executive Director shall either approve the submission or advise the gaming licensee in writing of any deficiency, and may include any other recommendations and/or required changes intended to ensure that a robust system of internal controls are implemented. The gaming licensee may either accept a recommendation in

writing or advise the Executive Director in writing as to the reason for its disagreement. The gaming licensee may dispute any determination or recommendation made by the Executive Director to the commission which shall resolve the issue at a public hearing. The commission or the Executive Director may revisit any provision of the internal controls at any time and direct adjustment if necessary to ensure that a robust system of internal controls are in effect. Upon approval by the Executive Director and/or commission the gaming licensee shall be issued a writing evidencing the approval of its internal controls including any associated conditions.

- (3) At least 15 business days prior to changing any provision of the approved internal controls a gaming licensee shall submit the proposed change, including an explanation therefor, and new certifications from its chief legal and financial officers consistent with 205 CMR 138.02(4)(h) and (i), to the commission for approval. The commission shall refer the proposed change to the Executive Director who shall review the proposal to determine whether it complies with 205 CMR 138.00. Changes to the system of internal controls will generally be permitted if the proposed change does not lessen the applicable administrative, accounting, or physical control. Upon completion of review the Executive Director shall either approve the proposed change or advise the gaming licensee in writing as to why the proposal does not comply with 205 CMR 138.00. The gaming licensee may dispute the Executive Director's determination to the commission which shall resolve the issue at a public hearing.

Modifications to internal controls may not be implemented until approved by the Executive Director or the commission. Provided, however, if the Executive Director does not object or otherwise respond to the submission in writing within 15 business days of receipt of the submission, the gaming licensee may make the proposed change subject to further direction by the Executive Director in accordance with 205 CMR 138.02(3).

- (4) The internal controls shall include the following:
  - (a) Administrative controls which include, as their primary objective, policies and procedures designed to assure that all activities and transactions of the gaming licensee are instituted and completed in accordance with the applicable policy and/or procedure.
  - (b) Accounting controls, as detailed in 205 CMR 139.02, which include, as their primary objective, procedures to assure that all activities and transactions of the gaming licensee are accurately reported and recorded in accordance with generally accepted accounting principles.
  - (c) Surveillance controls as detailed in 205 CMR 141.00
  - (d) Physical controls which include, as their primary objective, the safeguarding of company assets to include safeguards in the form of organizational safeguards, such as segregation of duties between incompatible functions, and physical safeguards such as restricted access to assets and routine security devices such as cameras and locking doors.
  - (e) A network security plan as described in 205 CMR 143.12.

- (f) A plan to ensure compliance with 205 CMR 140.00: *Gross Gaming Revenue and Tax Remittance and Reporting*.
  - (g) All applicable policies and procedures required pursuant to 205 CMR 138.03-138.72.
  - (h) A certification by the gaming licensee's chief legal officer that the submitted procedures conform to M.G.L. c.23K, 205 CMR 138.00, and any applicable regulations referenced therein; and
  - (i) A certification by the gaming licensee's chief financial officer that the submitted procedures provide adequate and effective controls, establish a consistent overall system of internal procedures and administrative and accounting controls, and conform to generally accepted accounting principles and 205 CMR 139.00.
- (5) Nothing in 205 CMR 138.00 shall be interpreted so as to limit a gaming licensee's use of technology, provided that, if the gaming licensee intends to utilize any new technology not identified in its initial proposal, it shall submit for commission approval the changes to its system of internal controls to incorporate the use of any such new technology in accordance with 205 CMR 138.02(3).
- (6) If gaming licensee desires to incorporate a provision in its internal controls that is not in conformance with 205 CMR 138.00, or to exclude a provision required by 205 CMR 138.00, it may petition to do so by including its proposal in its internal controls filing along with a citation to the applicable provision of 205 CMR 138.00 and a written explanation as to why the variance is being requested. The Executive Director may allow the variance upon a finding that the proposal is at least equivalent to relevant provision contained in 205 CMR 138.00 and that the proposal is likely to achieve the same outcome as if the provision contained in 205 CMR 138.00 were incorporated. Such variance shall be identified in the written approval issued in accordance with 205 CMR 138.02(2).
- (7) Upon approval in accordance with 205 CMR 138.02(2) and (3), the gaming licensee shall implement and abide by its system of internal controls. The commission may take any steps necessary to determine whether the internal controls are being following and to enforce compliance. The gaming licensee shall periodically compare its approved system of internal controls, as written, to the system actually in place and operating for the purpose of identifying areas of non-compliance, if any, so as to take immediate corrective action.
- (8) The gaming licensee shall maintain in its records and at all times a complete set of its system of internal controls in effect at that time.
- (9) When possible, all filings and records required to be submitted to the commission in accordance with 205 CMR 138.00 shall be done electronically unless otherwise directed by the commission.

#### 138.03: Records regarding company ownership

All records regarding ownership, as described in 205 CMR 139.01, shall be maintained at a location as determined by the gaming licensee provided that the commission is notified of such

location where the records are to be stored. The commission shall be granted prompt and unfettered access to all such records upon request.

138.04: Gaming licensee's organization

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include tables of organization, which shall provide for:
  - (a) A system of personnel and chain of command which permits management and supervisory personnel to be held accountable for actions or omissions within their areas of responsibility.
  - (b) The segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties.
  - (c) Primary and secondary supervisory positions which permit the authorization or supervision of necessary transactions at all relevant times.
  - (d) Areas of responsibility which are not so extensive as to be impractical for one person to monitor.
  
- (2) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions detailing the structure, function and area of responsibility for the following mandatory departments and supervisory positions, with each of the mandatory departments and supervisors cooperating with, yet performing independently of, all other mandatory departments and supervisors of the gaming licensee as follows:
  - (a) A surveillance department supervised by an executive who shall be responsible for the management of the surveillance department. The chief surveillance executive shall be subject to the reporting requirements specified in 205 CMR 138.03(4). The surveillance department monitoring room shall be supervised by an individual licensed as a key gaming employee in accordance with 205 CMR 134.00 who shall be present in the room at all times or, if not present, be within immediate contact and at a known location at the gaming establishment.
  - (b) An internal audit department supervised by an audit department executive. The audit department executive shall be subject to the reporting requirements specified in 205 CMR 138.03(4).
  - (c) An IT department supervised by an executive who shall be responsible for the management of the IT department.
  - (d) A casino games department supervised by an executive who shall be responsible for the management of the casino games department. The chief casino games executive shall be responsible for the operation and conduct of all authorized games and gaming devices in a gaming establishment

- (e) A security department supervised by an executive who shall be responsible for the management of the security department.
  - (f) A gaming accounting department supervised by an executive who shall be responsible for the management of the gaming accounting department. The chief gaming accounting executive shall be responsible for all gaming related accounting control functions.
  - (g) A compliance committee consisting of at least 3 members, one of whom shall be independent of the gaming licensee. The compliance committee may consist of less than 3 members upon a showing of good cause by the gaming licensee, but, under all circumstances, a compliance committee must include at least 1 independent member. The compliance committee may be created at either the gaming licensee level or at the level of a holding or intermediary company. The compliance committee shall provide its policies and procedures to the commission for approval, which policies and procedures shall provide for, at a minimum, the following:
    - (1) The monitoring of policies, procedures, material transactions and proposed transactions for purposes of avoiding impropriety or the appearance thereof.
    - (2) The review of payments to individuals and entities with business associations and the provision of services, gifts or anything of value to or on behalf of any public official.
    - (3) The review of political contributions.
    - (4) Ensuring compliance with all applicable Federal, State and local laws and regulatory requirements.
    - (5) Protecting against unethical or unlawful behavior by employees.
    - (6) The conduct of due diligence reviews and investigations of directors, officers, executive level employees and those entities and individuals having material associations with the gaming licensee.
    - (7) Providing the commission with the minutes of its meetings with 45 days of the conduct of those meetings.
  - (h) An independent audit committee consisting of at least 3 members provided, however, that the independent audit committee may be comprised of less than 3 members upon a showing of good cause to the commission. The independent audit committee may be created at either the gaming licensee level or at the level of a holding or intermediary company. The Committee shall provide the commission with the minutes of its meetings within 45 days of the conduct of those meetings.
- (3) A gaming licensee may, in its discretion, assign more than one individual to serve jointly as the chief executive manager of a department within the gaming establishment, with each individual being individually and jointly accountable and responsible for the operations of that department. Each mandatory department shall be supervised at all times by at least one individual who has been licensed as a key gaming employee in accordance with 205 CMR 134.00.
- (4) The chief executives of the surveillance and internal audit departments required by 205 CMR 138.03(2) shall comply with the following reporting requirements:

- (a) Each executive shall report directly to the chief gaming executive of the gaming licensee regarding administrative matters and daily operations provided, however, a gaming licensee may allow each of these executives to report directly to a management executive of the licensee other than the chief gaming executive if that management executive reports directly to the chief gaming executive.
- (b) Each executive shall report directly to one of the following persons or entities regarding matters of policy, purpose, responsibility, and authority. The hiring, termination, and salary of each executive shall also be controlled by one of the following persons or entities:
  - (1) The independent audit committee of the gaming licensee's board of directors;
  - (2) The independent audit committee of the board of directors of any holding company of the gaming licensee which has absolute authority to direct the operations of the gaming licensee;
  - (3) The senior surveillance or internal audit executive of any holding company included in 205 CMR 138.03(4)(b)(2) if such executive reports directly to the independent audit committee of the board of directors of the holding company; or
  - (4) For gaming licensees or holding companies which are not corporate entities, the non-corporate equivalent of any of the persons or entities listed in 205 CMR 138.03(4)(b)(1) through (3).
- (5) In the event of a vacancy in the chief executive officer position, the chief gaming executive, or in any executive position responsible for management of one of the mandatory departments set forth in 205 CMR 138.03(2)(a) through (f), the gaming licensee shall:
  - (a) Provide written notice to the commission no later than five days from the date of the vacancy, advising of the following:
    - (1) The vacant position;
    - (2) The date on which the position became vacant; and
    - (3) The date on which it is anticipated that the vacancy will be filled on a permanent basis.
  - (b) Within 30 days, the gaming license shall either fill the vacant position described in 205 CMR 138.03(5) on a permanent basis or designate an individual to assume the duties and responsibilities of the vacant position on a temporary basis, which appointment shall not exceed 120 days, subject to extension upon approval by the commission. An individual temporarily designated shall not simultaneously function as the department supervisor for any department identified in 205 CMR 138.03(2), and such individual's areas of responsibility shall not be so extensive as to be impractical for one individual to monitor.



- (c) Within five days of filling any vacancy, whether on a temporary or permanent basis, the gaming licensee shall provide written notice to the commission advising of the following:
- (1) The position;
  - (2) The name of the person designated;
  - (3) The date that the vacancy was filled; and
  - (4) An indication of whether the position has been filled on a temporary or permanent basis.
- (6) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include, and a gaming license shall maintain on file, a current table of organization delineating the lines of authority for all personnel engaged in the operation of the gaming establishment, which shall, for each department and division, include direct and indirect lines of authority within the department or division.
- (7) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a plan for ensuring that all gaming employees employed in the gaming establishment are properly trained in their respective professions. Proper training of a gaming employee in the respective field for which the gaming employee is or shall be employed by the gaming licensee may be established as follows:
- (a) Satisfactory completion by the employee of a course of instruction in the employee's respective field provided by a person recognized by the commission as a certified training school in accordance with 205 CMR 137.00;
  - (b) Satisfactory completion by the employee of a course of instruction or on the job training program provided by the gaming licensee in the employee's respective field;
  - (c) Relevant prior work experience of the employee in the employee's respective field; or
  - (d) Other relevant training or experience.

138.05: System for Ensuring Employees are Properly Licensed or Registered

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a plan for ensuring that all individuals employed in the gaming establishment are properly licensed or registered in accordance with 205 CMR 134.01, 134.02, and 134.03. The system of internal controls shall include without limitation the following:

- (1) Procedures for assuring that only properly licensed and/or registered individuals are employed in each position for which a license or registration is required;
- (2) Procedures to prepare and submit petitions for temporary licenses to individuals for employment in the gaming establishment pursuant to 205 CMR 134.12;
- (3) Procedures to assure the timely renewal of licenses and registrations of individuals employed in the gaming establishment;

- (4) Procedures for terminating or suspending the employment of individuals licensed or registered pursuant to 205 CMR 134.01, 134.02, and 134.03 within 24 hours of notification from the Commission that the license, registration, or application of such individual has been revoked, suspended, or denied;
- (5) Procedures for compliance with the employee reporting information required to be submitted to the Commission on a bi-monthly basis in accordance with 205 CMR 134.18(3).

138.06: System for Business Dealings with Vendors

(1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a plan for ensuring that all persons conducting business with a gaming licensee as a vendor to a gaming establishment are properly licensed or registered in accordance with 205 CMR 134.04. The system of internal controls shall include without limitation the following:

- (a) Procedures for assuring that only properly licensed and/or registered vendors are conducting business with a gaming licensee;
- (b) Procedures to prepare and submit petitions for temporary licenses of vendors pursuant to 205 CMR 134.12;
- (c) Procedures to assure the timely renewal of licenses and registrations of vendors; and
- (d) Procedures for terminating or suspending the conduct of business with a vendor licensed or registered pursuant to 205 CMR 134.04 within 24 hours of notification from the Commission that the license, registration, or application of such vendor has been revoked, suspended, or denied.

(2) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a description of its system for monitoring and reporting on its business dealings with its vendors and shall include without limitation the requirements identified in 205 CMR 134.18(4).

138.07: Floor plans of the gaming area, gaming establishment simulcasting facility and restricted areas

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include proposed floor plans of the gaming establishment's gaming area, simulcasting facility, if any, and any restricted areas.
- (2) Each floor plan required by 205 CMR 138.04(1) shall be drawn to at least one-eighth inch scale (1/8 inch = one foot), shall be prepared by a qualified Massachusetts registered engineer or architect, shall have received any necessary approvals, and shall depict, at a minimum, the location of the following:

- (a) The gaming area, and any simulcasting facility, including, at a minimum, the proposed total square footage thereof and a clear delineation of the respective perimeter of each;
  - (b) Each gaming pit, its pit location number, and any alternate configurations;
  - (c) Each table game, noting its pit and table game location number;
  - (d) Each CCTV camera, noting its type and camera number;
  - (e) Each slot booth, noting its booth number;
  - (f) Each cashier's cage and its component offices and areas;
  - (g) Each separate master coin bank;
  - (h) Each window at the cashiers' cage, noting its window number;
  - (i) Each count room;
  - (j) Each slot zone, its slot zone location letter or number and the total number of authorized slot machine locations within that slot zone, and at the gaming licensee's option, a maximum of four alternate configurations or locations for that slot zone and the alternate slot zone location number for each (for example, Slot Zone 2A);
  - (k) Each authorized slot machine location, which location shall contain no more than one slot machine and bill changer at a time, noting its slot machine location number and any slot zone location letter or number;
  - (l) Each slot stool authorized for use, noting its stool number, if any;
  - (m) Each automated coupon redemption machine, noting its location number;
  - (n) Each automated jackpot payout machine, noting its location number;
  - (o) Each gaming voucher redemption machine, noting its location number;
  - (p) Each satellite cage and its component offices and areas;
  - (q) Each coin vault;
  - (r) Each area approved for the storage of gaming chips or plaques;
  - (s) Each room or area approved for the storage of dice or playing cards;
  - (t) Each other room or area that is accessible directly from the gaming area;
  - (u) For those establishments with a simulcasting facility:
    - (1) Each simulcast counter and any ancillary simulcast counter, along with their component offices, areas and equipment;
    - (2) Each credit voucher machine, noting its location number;
    - (3) Each self-service pari-mutuel machine, noting its location number; and
    - (4) Each other area or room designated by the commission.
- (3) A gaming licensee, after obtaining commission's approval of its floor plans submitted as part of its internal controls, shall not commence gaming or simulcast wagering in the areas depicted on the floor plan until a copy thereof that has been certified and sealed by the architect has been delivered to the commission's IEB office in the establishment, an electronic copy has been sent to the IEB's main office and a printed copy thereof has been delivered to each of the following:

- (a) The gaming licensee's security podium; and
- (b) The gaming licensee's monitoring rooms

### *Gaming Licensee Records*

#### 138.08: Accounting records

- (1) A gaming licensee shall maintain complete, accurate, and legible records of all transactions pertaining to the revenues and costs for each gaming establishment including those required to comply with 205 CMR 140.00: *Gross Gaming Revenue Tax Remittance and Reporting*.
- (2) General accounting records shall be maintained on a double entry system of accounting with transactions recorded on the accrual basis. Detailed, supporting, subsidiary records sufficient to meet the requirements of 205 CMR 139.00 shall also be maintained.

#### 138.09: Retention, storage and destruction records

- (1) All records required to be retained by a gaming licensee shall be retained in accordance with the following schedules:
  - (a) The following records shall be retained indefinitely unless permission for destruction is requested by the gaming licensee and approved by the commission:
    - (1) Corporate records required by 205 CMR 138.02;
    - (2) Records of corporate investigations and due diligence procedures;
    - (3) Current employee personnel files; and
    - (4) A record of any record destroyed, identifying the particular record, the period of retention and the date of destruction.
  - (b) The following records shall be retained for a minimum of five years:
    - (1) Gaming-related documents not otherwise specified in 205 CMR 138.xx(c) including, without limitation, records concerning gaming-related service industries;
    - (2) Personnel files of former employees; and
    - (3) Any other record not otherwise specified in this subsection.
  - (c) The following records shall be retained for a minimum of four years from the date of the actual filing of the gross revenue tax return for the tax year in which the record was generated:
    - (1) Cage documents;
    - (2) Documentation supporting the calculation of table game win;
    - (3) Except as otherwise provided in (c)6 and 8 below, documentation supporting the calculation of slot machine win;
    - (4) Suspicious gaming vouchers and unverified gaming vouchers;
    - (5) Documentation supporting the calculation of poker revenue;

- (6) Documentation supporting the calculation of the provision for uncollectible patron checks pursuant to **138.xx.**; and
- (7) Suspicious gaming voucher reports; unscanned gaming voucher transfer forms; unverified gaming voucher transfer forms; gaming voucher receipts; unverified gaming voucher logs; unverified gaming voucher log summary reports; and all documents associated with investigations of unverified gaming vouchers conducted pursuant to **138.xx.**

(d) The following records shall be retained for a minimum of three years:

- (1) Hotel income audit documents, including, without limitation, telephone call records and charges;
- (2) Non-gaming hotel-related documents, including, without limitation, records concerning hotel guests; records concerning banquets; food and beverage documents; records of retail stores, accounts receivable and other records of transactions in which the casino licensee is a vendor; and entertainment records;
- (3) Payroll records, except as provided in (c)1 above;
- (4) Signature cards of terminated employees;
- (5) Marketing department records;
- (6) Security incident reports
- (7) Insurance department records relating to guest claims and copies of arrest records;
- (8) Credit union records;
- (9) Hotel-related documents which pertain to the purchasing department and accounts payable department;
- (10) Patron gaming records;
- (11) Records concerning junkets;
- (12) Petty cash documentation;
- (13) General ledgers and supporting journals; and
- (14) Accounts receivable documents from store rentals and travel wholesalers.

(e) The following records shall be retained for a minimum of one year:

- (1) Complimentary settled guest checks;
- (2) Card and dice transaction and inventory reports;
- (3) Returned check aging reports, except for year-end reports;
- (4) Vendor Registration Forms;
- (5) Register tapes and room service checks;
- (6) Files and work papers used to prepare budgets;
- (7) Records generated by the mailroom;
- (8) Advertising records;
- (9) Slot department daily activity logs;
- (10) Surveillance employee duty logs including but not limited to those required pursuant to **138.xx** Disks/VCR/tape logs, surveillance department visitor logs, and equipment malfunction reports;
- (11) Any document, except for a document specified in 205 CMR 138.06(1)(c)(2) through (6) for which the gaming licensee can demonstrate that the information

- contained thereon is duplicative or less than that recorded on another document retained in accordance with 205 CMR 138.06(1)(a) through (d);
- (12) Daily operating reports generated by multi-casino progressive slot systems;
  - (13) Logs of all multi-casino progressive slot system events and problems;
  - (14) With the exception of cashed pari-mutuel tickets and credit vouchers, the records related to the revenues and expenses of simulcasting, including, but not limited, to all reports generated by the totalisator and all records maintained shall be retained by a gaming licensee or a hub facility for a minimum of one year; and
  - (15) Records prepared in connection with or relating to the forfeiture of winnings or things of value obtained by a prohibited person as defined by M.G.L. c.23K, §45 and 205 CMR.
- (f) The following records shall be retained for a minimum of six months:
- (1) Except as provided in 205 CMR 138.06(1)(c), coupons entitling patrons to cash, slot tokens, gaming chips or plaques or simulcasting wagers, progressive wager coupons or match play coupons, including unused, voided and redeemed coupons;
  - (2) Gaming vouchers redeemed at any location other than a slot machine pursuant to 205 CMR 138.06, and which have been verified and electronically cancelled by the gaming voucher system;
  - (3) Voided gaming vouchers;
  - (4) The following hotel income audit documents: cashier reports, room tally reports, over/short reports, rate variations and missing check reports;
  - (5) Load count arrival forms;
  - (6) Credit card settled guest checks pertaining to restaurant and bar charges;
  - (7) Room charge settled guest checks pertaining to restaurant and bar charges;
  - (8) Credit card vouchers used to settle guest checks in restaurants and bars;
  - (9) Guest check control sheets used to control the issuance and return of guest checks to cashiers, bartenders and food servers;
  - (10) Credit applications with unused lines of credit;
  - (11) Zeroed-out countercheck envelopes;
  - (12) Emergency drop box approval forms; and
  - (13) Redeemed patron checks not directly returned to the patron or not requested to be mailed within six months of redemption.
- (g) The following records shall be retained for a minimum of 90 days:
- (1) Coin bag tags, provided that the information contained thereon is duplicative or less than that recorded on another document; and
  - (2) Documents relating to promotions, such as entry forms and game tickets.
- (h) The following records shall be retained for a minimum of 30 days:
- (1) Hotel cashier envelopes.
- (i) The following records shall be retained for a minimum of seven days and may be destroyed without the notice required by 205 CMR (f) unless the commission or IEB directs otherwise pursuant to 205 CMR (g):

- (1) Pari-mutuel tickets and credit vouchers which have been cashed, cancelled or refunded in the gaming licensee's simulcasting facility;
  - (2) Gaming vouchers redeemed at slot machines, and which have been verified and electronically cancelled by the gaming voucher system; provided, however, that if the controller has verified that all audits have been completed such gaming vouchers may be destroyed immediately upon the controller's verification;
  - (3) Contribution invoices sent to gaming licensees participating in a multi-casino progressive slot system; and
  - (4) Jackpot activity reports generated by a multi-casino progressive slot system.
- (j) The following original books, records and documents do not have to be retained by a gaming licensee for any minimum period of time, but may be destroyed only upon notice in accordance with 205 CMR (f) and (g):
- (1) Any serially pre-numbered form required by commission rules that is blank or unused, unless otherwise specified by this section; and
  - (2) Any record that has been copied and stored on a microfilm, microfiche or other media system approved by the commission.
- (k) The following records do not have to be retained by a gaming licensee for any minimum period of time and may be destroyed without the notice required by 205 CMR (f):
- (1) Parking ticket stubs;
  - (2) Coat check tickets;
  - (3) Housekeeping reports;
  - (4) Maintenance department records;
  - (5) Patron mailing lists;
  - (6) Blank entry forms;
  - (7) Bellman and baggage forms;
  - (8) Cash settled guest checks;
  - (9) Food credit and complimentary beverage coupons;
  - (10) Drink chits;
  - (11) Food and beverage order slips;
  - (12) Bottle sales slips;
  - (13) Showroom starter slips;
  - (14) Communication department records;
  - (15) Unsolicited resumes or letters requesting employment;
  - (16) Register tapes, provided that the information contained thereon is duplicative or less than that recorded on another document retained in accordance with 205 CMR (c)3;
  - (17) Survey questionnaires regarding service in the casino hotel;
  - (18) Records of hours worked by persons employed in gaming-related positions in an abstract or other readily accessible format;
  - (19) Any blank or unused form except as provided in 205 CMR (c)8i, unless otherwise specified by 205 CMR;
  - (20) Laundry charges;
  - (21) Slot machine meter reports generated by a multi-casino progressive slot system;

- (22) Handle pull or play reports generated by a multi-casino progressive slot system; and
  - (23) Any coupon issued and mailed or otherwise given to a patron and subsequently returned unused to the sender, provided that all reconciliations required pursuant to 205 CMR 138.xx and the gaming licensee's approved internal controls have been conducted and resolved, and that any coupons with unresolved discrepancies are retained in accordance with 205 CMR (c)6i.
- (2) A gaming licensee may petition the commission at any time for approval of a facility off the site of the gaming establishment to be used to generate or store records. Such petition shall include:
    - (a) A detailed description of the proposed off-site facility, including security and fire safety systems; and
    - (b) The procedures pursuant to which commission agents will be able to gain access to the records retained at the off-site facility.
  - (3) A gaming licensee shall, except as otherwise provided in 205 CMR (c), notify the commission in writing at least 15 days prior to the scheduled destruction of any record. Such notice shall list each type of record scheduled for destruction, including a description sufficient to identify the records included; the retention period; and the date of destruction.
  - (4) The commission may prohibit the destruction of any record by so notifying the gaming licensee in writing within 15 days of receipt of the notice of destruction pursuant to 205 CMR (f) or, in the case of a record governed by 205 CMR (c)9, within the specified retention period. Such original record may thereafter be destroyed only upon notice from the commission, the IEB, or by order of the commission upon the petition of the gaming licensee or by the commission on its own initiative.
  - (5) The gaming licensee may utilize the services of a disposal company for the destruction of any records except those related to credit. Any cash complimentary coupons to be destroyed by a disposal company shall be cancelled with a void stamp, hole punch or similar device, or must contain a clearly marked expiration date which has expired.
  - (6) Nothing herein shall be construed as relieving a gaming licensee from meeting any obligation to prepare or maintain any book, record or document required by any other federal, state or local governmental body, authority or agency.

### *Gaming Licensee Organization/Personnel*

#### 138.10: Jobs compendium submission

- (1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a jobs compendium detailing job descriptions, chains of command, and lines of authority for all personnel engaged in the operation of the gaming establishment. The licensee shall maintain and update the jobs compendium on a regular basis.
- (2) A jobs compendium shall include the following sections, in the order listed:
  - (a) An alphabetical table of contents listing the position title and job code for each job description included in 205 CMR (b)3 and the page number on which the corresponding job description may be found;
  - (b) A table of organization for each department and division, including all positions, and



illustrating by position title, direct and indirect lines of authority within the department or division. Each page of a table of organization shall specify the following:

- (1) The date of its submission;
  - (2) The date of the previously submitted table of organization which it supersedes; and
  - (3) A unique title or other identifying designation for that table of organization.
- (c) A description of each employee position which accurately corresponds to the position title as listed in the table of organization and in the alphabetical table of contents. Each position description shall be contained on a separate page, organized by departments or divisions, and shall include, at a minimum, the following:
- (1) Position title and corresponding department;
  - (2) Salary range;
  - (3) Job duties and responsibilities;
  - (4) Detailed descriptions of experiential or educational requirements;
  - (5) Projected number of employees in the position;
  - (6) Equal employment opportunity class or subclass;
  - (7) Proposed registration or license rank consistent with 205 CMR 134.01 through 134.03;
  - (8) The date of submission of each employee position job description and the date of any prior job description it supersedes; and
  - (9) The date of submission and page number of each table of organization on which the employee position title is included.
- (3) Except as otherwise provided in 205 CMR (4), any proposed amendment to a previously approved jobs compendium, including any amendment to a table of organization, may be implemented by the gaming licensee without the prior approval of the commission, provided that:
- (a) The amendment is immediately recorded in the jobs compendium maintained by the licensee on its premises; and
  - (b) The amendment is submitted to the commission by the end of the business day on the date of implementation, including at a minimum, the following:
    - (1) A detailed cover letter listing by department each position title to which modifications have been made, a brief summary of each change, instructions regarding any changes in page numbers and the date of implementation; and
    - (2) The proposed changes to the information required by (b) above, including the corresponding job descriptions and tables of organization, contained on pages which may be used to substitute for those sections of the jobs compendium previously approved by the commission.
- (4) A gaming licensee shall not be required to comply with the filing requirements of 205 CMR (3) for amendments to job descriptions for the following positions:
- (a) Positions which do not require a license or registration;
  - (b) Positions which require a gaming service employee registration, provided that the gaming licensee files with the Commission a notice of any addition, deletion or amendment to

any position that requires gaming service employee registration. Such notice shall include the title, department, job code, salary grade and table of organization on which that position is identified.

- (5) Notwithstanding any other requirement of this section, each gaming licensee shall submit a complete and up-to-date jobs compendium in accordance with 205 CMR 138.0X(1) to the commission 18 months after approval of its system of internal controls in accordance with 205 CMR 138.02 and every two years thereafter, unless otherwise directed by the commission.
- (6) Each gaming licensee shall maintain on its premises a complete, updated copy of its jobs compendium which shall be made available for review upon the request of the IEB or commission.
- (7) No provision of 205 CMR 138.00 shall be construed so as to limit a gaming licensee's discretion in utilizing a particular job title for any position in its jobs compendium.

#### 138.11: Personnel assigned to the operation and conduct of gaming

Each gaming licensee shall be required to employ the following personnel in the operation of its gaming establishment regardless of the position titles assigned to such personnel by the gaming licensee in its approved jobs compendium:

- (1) Each gaming licensee shall at all times maintain a level of staffing that ensures the proper operation and effective supervision of all authorized games and simulcast wagering in the gaming establishment and simulcasting facility.
- (2) Each gaming licensee shall be required to employ a person referred to herein as a gaming manager. The gaming manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of a gaming licensee's casino games department including, without limitation, the hiring and terminating of all gaming establishment employees and the creation of high employee morale and good customer relations, all in accordance with the policies and practices established by the gaming licensee's board of directors or non-corporate equivalent.
  - (a) In the absence of the gaming manager and the assistant gaming manager, should the establishment have an assistant gaming manager, a table games shift manager or slot shift manager, as applicable, who is employed within the casino games department shall be designated by the gaming licensee as the person responsible for the overall operation of the casino games department and such person shall have the authority of a gaming manager.
  - (b) Notwithstanding the foregoing, if a gaming licensee chooses, to establish an independent slot department, the independent slot department shall be supervised and managed by a slot department manager in accordance with 205 CMR (h)5.
- (3) The following personnel shall be used to operate the table games in an establishment:
  - (a) Gaming clerk shall be the person located at a desk in the pit to prepare documentation required for the operation of table games including, without limitation, Requests for Fills, Requests for Credits, Counter Checks and documents that evidence the exchange of gaming chips or plaques as part of credit or debit card chip transactions.

- (b) Dealers shall be the persons assigned to each table game to directly operate and conduct the game.
  - (c) Stickperson shall be the dealer assigned to each craps table to control the dice and may be responsible for the proposition wagers made at the craps table. At the gaming licensee's option, a stickperson may also be assigned to a mini-craps table, in addition to the required dealer, to control the dice and may be responsible for the proposition wagers made at the mini-craps table.
  - (d) Boxperson shall be the first level supervisor assigned the responsibility of directly participating in and supervising the operation and conduct of the craps game.
  - (e) Floorperson shall be the second level supervisor assigned the responsibility for directly supervising the operation and conduct of a craps game, and the first level supervisor assigned the responsibility for directly supervising the operation and conduct of all other table games.
  - (f) Except as provided in 205CMR (b)8ii, pit boss shall be the third level supervisor assigned the responsibility for the overall supervision of the operation and conduct of a craps game and the second level supervisor assigned the responsibility for the overall supervision of the operation and conduct of all other table games other than poker.
  - (g) Poker shift supervisor shall be the supervisor assigned and present during a shift with the responsibility for directly supervising all activities related to the operation and conduct of poker. A poker shift supervisor may also supervise table games other than poker in lieu of a pit boss in accordance with the provisions of this section.
  - (h) Table games shift manager shall be the supervisor assigned to each shift with the responsibility for the supervision of table games conducted in the gaming establishment provided, however, that:
    - (1) If a gaming licensee chooses, to establish an independent slot department, a gaming manager may personally perform the required duties of a table games shift manager when the gaming manager is present in the gaming establishment; and
    - (2) A gaming licensee may, as part of its revised supervision plan as set forth in 205 CMR (e), permit its table games shift manager to provide a break, for a reasonable period of time, for a pit boss on duty during the hours of 12:00 a.m. to 12:00 p.m.
- (4) Each gaming licensee shall maintain the following minimum levels of staffing:
- (a) One gaming clerk shall be assigned to the entire gaming establishment;
  - (b) One dealer shall be assigned to each table for any table game other than craps and baccarat;
  - (c) Three dealers shall be assigned to each craps and baccarat table;
  - (d) One boxperson shall be assigned to each craps table;
  - (e) One floorperson shall supervise not more than:
    - (1) Four tables comprised of any combination of table games excluding baccarat, minibaccarat (when using the dealing procedure in 205 CMR) craps, mini-craps, automated craps and pai gow; or

- (2) One baccarat table; or
- (3) As to the game of minibaccarat, when using the dealing procedure in 205 CMR :
  - (a) Two minibaccarat tables using the dealing procedure in 205 CMR; or
  - (b) One minibaccarat table using the dealing procedure in 205 CMR and one table of any other table game excluding baccarat, mini-craps and pai gow (unless the pai gow table has continuous, dedicated surveillance camera coverage); or
- (4) As to the game of craps:
  - (a) Two craps tables; or
  - (b) One craps table and one table of any other table game excluding baccarat, mini-craps and pai gow; or
  - (c) One mini-craps table; or
  - (d) Two automated craps games;
  - (e) One automated craps table and two other table games, excluding baccarat, minibaccarat (when using the dealing procedure in 205 CMR), craps, mini-craps and pai gow; or
- (5) As to the game of pai gow:
  - (a) One pai gow table; or
  - (b) Two pai gow tables if the tables are in a side-by-side configuration and continuous, dedicated surveillance camera coverage is maintained for the pai gow tables; or
  - (c) One pai gow table with continuous, dedicated surveillance camera coverage and one table of any other table game excluding baccarat, craps and mini-craps; or
- (6) As to the game of poker:
  - (a) Four poker tables if the poker shift supervisor is supervising both poker tables and table games other than poker; or
  - (b) Eight poker tables if the poker shift supervisor is supervising only poker tables; or
  - (c) Ten poker tables if the poker shift supervisor is supervising only poker tables and no floorperson assigned to poker by a gaming licensee has any responsibilities for seating players;
- (f) One pit boss shall supervise not more than 24 gaming tables, provided that all of the tables are within view of each other; and
- (g) One poker shift supervisor shall supervise all open poker tables; provided, however, that the poker shift supervisor may supervise a total of not more than 16 poker tables and table games other than poker (in lieu of a pit boss) if fewer than 16 poker tables are open.
  - (1) Notwithstanding the provisions of 205 CMR (g):
    - (a) If a gaming licensee has six or fewer poker tables open for gaming activity, no poker floorperson shall be required and the poker tables may be supervised by

the poker shift supervisor, provided that the poker shift supervisor is not supervising any other table games; and

- (b) If a gaming licensee has at least one but fewer than four poker tables open for gaming activity, the poker shift supervisor may supervise any combination of not more than four poker tables and table games other than poker (in lieu of a pit boss) and no floorperson shall be required to supervise the poker tables provided that the floorperson supervision requirements for games other than poker are satisfied.
- (2) Notwithstanding the provisions of 205 CMR (7), a gaming licensee may implement a plan for revised supervision by floorpersons, poker shift supervisors, pit bosses or slot shift managers. A plan for revised supervision of table games shall not include any gaming tables at which the cards shall be used for more than 24 hours pursuant to 205 CMR. In any plan for revised supervision:
- (a) One floorperson may supervise not more than six tables comprised of any combination of table games excluding baccarat, minibaccarat (when using the dealing procedure in 205 CMR, craps, mini-craps, automated craps, pai gow and blackjack when offering the streak wager permitted under 205 CMR;
  - (b) One pit boss may supervise not more than 30 gaming tables, provided that all of the tables are within view of each other;
  - (c) One poker shift supervisor may supervise a total of not more than 24 poker tables and gaming tables other than poker (in lieu of a pit boss), provided that:
    - (1) The poker shift supervisor is supervising all poker tables which are open to the public; and
    - (2) One floorperson may supervise not more than six poker tables;
  - (d) One floorperson may supervise two craps tables and one additional table of any other table game excluding baccarat, minibaccarat (when using the dealing procedure in 205 CMR, mini-craps, automated craps and pai gow;
  - (e) One floorperson may supervise one craps table and two additional tables comprised of any combination of table games excluding baccarat, minibaccarat, mini-craps, automated craps and pai gow;
  - (f) One floorperson assigned to poker may supervise not more than 10 poker tables if the poker shift supervisor is supervising only poker tables; and
  - (g) One floorperson assigned to poker may supervise not more than 12 poker tables if the poker shift supervisor is supervising only poker tables and no floorperson assigned to poker has any responsibilities for seating players.
- (h) The following personnel shall be used to maintain and operate the slot machines and bill changers in an establishment:

- (1) Slot mechanics shall be the persons assigned the responsibility for repairing and maintaining slot machines and bill changers in proper operating condition and participating in the filling of payout reserve containers.
  - (2) Slot attendants shall be the persons assigned the responsibility for the operation of slot machines and bill changers, including, but not limited to, participating in manual jackpot payouts and filling payout reserve containers.
  - (3) Slot supervisors shall be the first level supervisors assigned the responsibility for directly supervising the operation of slot machines and bill changers.
  - (4) Slot shift manager shall be the second level supervisor with the responsibility for the overall supervision of the slot machine and bill changer operation for each shift.
  - (5) If a gaming licensee chooses to establish an independent slot department the slot department manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of the gaming licensee's slot machines and bill changers including, without limitation, the hiring and terminating of all slot department personnel and the creation of high employee morale and good customer relations, all in accordance with the policies and practices established by the gaming licensee's board of directors or non-corporate equivalent. In the absence of the slot department manager, the slot shift manager shall have the authority of the slot department manager.
- (i) The following personnel shall, at a minimum, be used to operate a simulcast counter in a simulcasting facility:
- (1) Pari-mutuel cashiers shall be assigned the responsibility of generating, and issuing to patrons, pari-mutuel tickets and credit vouchers, conducting credit card and debit card cash transactions, making simulcast payouts to patrons, and redeeming credit vouchers for patrons. At the discretion of a gaming licensee, a pari-mutuel cashier ("vault cashier") may, alternatively, be assigned the responsibility to control the currency and coin in the simulcast vault. A vault cashier on a shift shall not perform any other functions of a pari-mutuel cashier on the same shift; and
  - (2) Simulcast counter shift supervisor shall be the first level supervisor assigned the responsibility for directly supervising the operation and conduct of the simulcast counter; provided, however, that the simulcast counter shift supervisor may simultaneously assume the responsibilities of a first level supervisor of cage cashiers, if the accounting department is responsible for the operation and conduct of the simulcast counter as permitted by **138.xx** and the cashiers being supervised work in a cage that is adjacent to the simulcast counter.
- (5) Nothing in 205 CMR 138.08 shall be construed to limit a gaming licensee from utilizing personnel in addition to those described herein nor shall anything in this section be construed to limit the discretion of the commission to order the utilization of additional personnel by the gaming licensee necessary.

- (6) The gaming manager or table games shift manager shall notify the commission and the IEB no later than 24 hours in advance of implementing or changing any plan for revised supervision for table games, and the slot shift manager, provided, however, that notice may be provided less than 24 hours in advance in circumstances which are emergent or may otherwise not reasonably be anticipated.
- (a) Any notice of a plan for revised supervision of table games shall include, without limitation, the following information:
- (1) The pit number and configuration of any pit affected;
  - (2) The type, location and table number of any table affected;
  - (3) The standard staffing level required for the gaming table or tables and the proposed variance therefrom;
  - (4) The start date and time, and the duration, of the revised supervision; and
  - (5) The basis for the decision to revise the number of supervisory personnel, which shall include any relevant factors which demonstrate that proper operation and effective supervision of the affected gaming tables will be maintained, including, as applicable, a showing:
    - (a) That the revised supervision is justified by a reduced volume of play at the specified times and gaming tables in the gaming establishment;
    - (b) That the particular dealers or supervisors assigned to the affected tables possess a degree of skill and experience indicative of sufficient ability to operate the affected tables with revised supervision, in which case a record of the personnel assigned to such tables during the period of revised supervision shall be maintained;
    - (c) That a reduced number of gaming tables will be operating in the affected pits, which are in a configuration to ensure proper supervision and operation; or
    - (d) Any other facts or circumstances which establish that a revision in the number of supervisory personnel is appropriate.
- (b) The commission may, at any time upon 12 hours' notice, direct that the plan for revised supervision shall be terminated and that the licensee shall maintain standard staffing levels as defined in 205 CMR (c).

### *Patron Identification/Patron Complimentaries*

#### 138.12: Patron signature file; patron identification records

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions for the maintenance of records regarding the methodology the gaming licensee will utilize for verifying a patron's identity or signature in circumstances where such verification is required in accordance with the gaming licensee's

approved internal controls.

- (2) The gaming licensee's verification methodology shall include, at a minimum, the maintenance of a patron identification file, which shall include, at a minimum, the following:
  - (a) The patron's name;
  - (b) The patron's address;
  - (c) The patron's signature;
  - (d) The type of identification credentials examined;
  - (e) The date and time that the patron identification file was established; and
  - (f) The name and signature of the gaming establishment employee who examined the identification credentials of the patron and established the patron identification file.

#### 138.13: Complimentary services or items

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a detailed complimentary distribution program consistent with M.G.L. c.23K, §28.
- (2) The gaming licensee's complimentary distribution program shall be such that reasonable assurance is provided that any complimentary services or items, as defined by M.G.L. c.23K, §2, whether provided directly to the patron and the patron's guests by the gaming licensee or indirectly to the patron and the patron's guests on behalf of a third party, are:
  - (a) Issued by employees authorized for such purposes in accordance with the program;
  - (b) In accordance with M.G.L. c.23K, §28(c), valued in an amount based upon the retail price normally charged by the gaming licensee for the service or item. The value of a complimentary service or item not normally offered for sale by a gaming licensee or provided by a third party on behalf of a gaming licensee shall be the cost to the gaming licensee of providing the service or item, as determined under rules adopted by the commission; and
  - (c) Recorded, compiled and maintained in such a way so as to allow a system of reporting in accordance with M.G.L. c.23K, §28(b) that can report complimentaries by date, issuer, recipient, type, and value.

#### *Security, Safety and Inspection in the Gaming Establishment*

#### 138.14 Internal control procedures for security department

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions describing the duties and operation of its security department.

#### 138.15: Internal control procedures for access badge system and issuance of temporary license credentials, and restricted areas



(1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions related to credentials. All key gaming employees, gaming employees, and gaming service employees, while engaged in the performance of their duties on the premises of the gaming establishment, shall visibly display a credential issued by the commission on his or her person at all times.

The system of internal controls related to credentials shall at a minimum incorporate the following credentialing system:

- (a) A – Access shall apply to individuals in the following positions: Chief Executive Officer, Chief Operating Officer, President, Audit Committee, Vice Presidents, Directors, General Counsel, Associate General Counsel, Security Employees, Surveillance Employees, Internal Audit Employees. Only those Vice Presidents and Directors directly related to gaming operations, Finance or Administration shall be assigned an "A" access code. All non-gaming related Vice Presidents and Directors shall be required to have a security escort to gain access to restricted areas.

All employees designated with the "A" access code shall have access to all restricted areas, with limitations on access to the count rooms, surveillance room. Access may be permitted to count rooms while a count is not in progress with a valid reason and permission of the IEB Agent on duty. Access to the surveillance room and catwalks for non-surveillance employees must be with permission of the Director of Surveillance.

- (b) M – access shall apply to MIS Employees. All employees designated with the "M" access code shall have access to the MIS computer room. They have access to all other restricted areas with valid reason and prior approval of restricted area department manager. (Access to the count rooms requires permission of the IEB Agent on duty.)

- (c) C – access shall apply to Cashiers, Cage Employees, Slot Coin Cage Employees, Collection Employees, Credit Employees, Pit Clerks, Income Control, All Accounting /Finance Employees, Hard Count Room Employees, Soft Count Room Employees, Impressionment Employees, and Simulcast Employees.

All employees designated with the "C" access code shall have access to cashiers cage, satellite cashiers cage, master coin bank, slot booths, runways, coin redemption, simulcast counters, and pit areas with valid reason and prior approval of the restricted area department manager. Also, they shall have access to the count rooms to perform functions previously approved in their internal control submissions and with permission of the IEB Agent on duty.

- (d) CS – access shall apply to slot attendant supervisors who supervise slot coin cashiers, and slot coin cashiers who report to slot attendant supervisors. All employees designated with the “CS” access code shall have access to slot booths, runways, coin redemption, slot repair room, and to the cashiers cage only when necessary to pass through the cashiers cage to access a slot coin booth or coin redemption. A “CS” badged employee shall not have access to the master coin bank.
  - (e) P – access shall apply to Casino Games Employees, Poker Games Employees, and Gaming Table Maintenance Employees. All employees designated with the "P" access code shall have access to the casino pit and poker pit areas.
  - (f) S – access shall apply to Slot Department Employees. All employees designated with the "S" access code shall have access to the slot repair room.
  - (g) V – access shall apply to all visitors to restricted areas. All visitors to restricted areas shall be designated with the "V" access code and shall have access to restricted areas only when such entry is authorized by an employee designated with "A" access code and the restricted area supervisor. Further, if such entry is so authorized, a visitor may enter a restricted area only when accompanied by an "A" employee or by a security officer, and by notification of the IEB Agent on duty. Visitors may access the surveillance room/catwalks only with the permission of the Director of Surveillance and an IEB agent.
- (2) The commission shall issue an official credential that shall bear the inscription “Massachusetts Gaming Commission,” the official seal of the Massachusetts Gaming Commission, the signature of the chair of the commission or his or her designee, as well as a photograph of the licensee or registrant and specific identification information for the person to whom the credential is issued. The information shall include:
- (a) License or registration number,
  - (b) Name, and
  - (c) Access code.
- (3) The credential format shall be in a shape and legibility that will enhance surveillance capability and visual acuity.
- (4) Notwithstanding 205 CMR 138.04(1), the Director of the Investigations and Enforcement Bureau or his or her designee, may, upon written request by a gaming licensee, and upon a showing of good cause, exempt certain positions, titles, or persons from the requirements of 138.04(1).

(5) Commission employees, agents or contractors or employees of agencies authorized to conduct regulatory or regulatory related activities pursuant to M.G.L. c.23K at a gaming establishment shall carry their agency credentials on their person at all times while engaged in the performance of their duties. Credentials may not be utilized for unofficial, social, or non-employment related access, purpose or presence within any gaming establishment.

(6) The temporary credential shall only be issued by the security department if the following criteria are verified:

- (a) That the employee to whom the credential is to be issued is listed in the gaming licensee's current employee status report;
- (b) That the employee holds a current license or registration issued in accordance with 205 CMR 134.00;
- (c) That the employee is authorized by his or her supervisor to possess the specific credential to be working in the designated or restricted area authorized by such credential; and
- (d) That the employee has not been issued more than 12 temporary credentials within the preceding 12 month period from the issuance of the first temporary credential.

(7) The temporary credentials shall be issued to the employee only for a 24 hour period and shall contain the following information:

- (a) A prominent space to allow the insertion of the name of the specific employee to whom it is issued;
- (b) The date and time of issuance by the security department;
- (c) Name and credential number of issuing security officer;
- (d) The conspicuous notation that the credential is "VOID AFTER 24 HOURS"; and
- (e) A sequential number reflecting the number of temporary credentials issued at that gaming establishment that is to be recorded in both an onsite IEB and security department bound log book or database.

(8) The IEB will approve the design of the temporary credentials. The gaming licensee's security department will secure them until needed for issuance in compliance with 205 CMR 138.05. The security department shall provide a monthly report to the IEB identifying the number, names, departments and frequency of temporary credentials issued as well as any missing, stolen, destroyed, or replaced credentials. The IEB may require additional information regarding any credential issuance or utilization and the gaming licensee shall provide all such information in a timely fashion.

#### 138.16: Access to public and restricted areas

(1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions relative to access to restricted areas. No gaming licensee shall

permit any individual to have access to any restricted area in its gaming establishment unless such access is permitted in accordance with the gaming licensee's internal controls. Restricted areas shall, at a minimum, include the following areas:

- (a) Cashiers cage, satellite cashiers cage, master coin bank, slot booths, runways, coin redemption. All employees designated with the "A" and "C" access codes, as provided by 205 CMR 138.12(1), may enter these restricted areas. Employees must be listed on the cage access list to gain access to the cage. Employees designated with the "M" access code have access with the limitations described under their access letter. Any licensed employee may enter this area with a valid reason and permission of the restricted area supervisor. The cage secretary and/or a cage area cleaner may enter the cashier's cage without a security escort to complete their job function; however these individuals must have the permission of the cage area supervisor and are the sole responsibility of that supervisor. Employees designated with the "CS" access code, as provided by 205 CMR 138.12(1), may enter the slot booths, runways, and coin redemption. They may enter the cashier's cage only when access is needed to gain entrance to a slot coin booth or coin redemption. A "CS" access code shall not have access to the master coin bank.
- (b) Soft count room and hard count room. All employees designated with the "C" access code, as provided by 205 CMR 138.12(1), whose duties require access may enter this restricted area. Employees designated with the "A" and "M" access codes, as provided by 205 CMR 138.12(1), may have access with limitations described under their access letter. Any employee may enter this area with a valid reason, permission of the restricted area supervisor, and permission of an IEB agent on duty.
- (c) Cashiers cage, satellite cashiers cage, master coin bank, slot booths, runways, coin redemption. All employees designated with the "A" and "C" access codes, as provided by 205 CMR 138.12(1), may enter these restricted areas. Employees must be listed on the cage access list to gain access to the cage. Employees designated with the "M" access code, as provided by 205 CMR 138.12(1), may have access with the limitations described under their access letter. Any licensed employee may enter this area with a valid reason and permission of the restricted area supervisor. The cage secretary and/or a cage area cleaner may enter the cashier's cage without a security escort to complete their job function; however these individuals must have the permission of the cage area supervisor and are the sole responsibility of that supervisor. All employees designated with the "CS" access code, as provided by 205 CMR 138.12(1), may enter the slot booths, runways, and coin redemption. They may enter the cashier's cage only when access is needed to gain entrance to a slot coin booth or coin redemption. At no time shall a "CS" access code, as provided by 205 CMR 138.12(1), have access to the master coin bank.

- (d) Slot repair room. All employees designated with the "A", "CS", and "S" access code, as provided by 205 CMR 138.12(1), may enter this restricted area. Employees designated with the "M" access code, as provided by 205 CMR 138.12(1), may have access with limitations described under their access letter. Any employee may enter this area with a valid reason and permission of the restricted area supervisor.
- (e) Simulcast counters. All employees designated with the "A" and "C" access code, as provided by 205 CMR 138.12(1), may enter this restricted area. Employees designated with the "M" access code, as provided by 205 CMR 138.12(1), may have access with the limitations described under their access letter. Any employee may enter this area with a valid reason and permission of the restricted area supervisor.
- (d) Computer room. All employees designated with the "A" and "M" access code, as provided by 205 CMR 138.12(1), may enter this restricted area. Any licensed employee may enter this area with a valid reason and permission of the restricted area supervisor. A MIS secretary and/or computer room area cleaner may enter the computer room without a security escort to complete their job function, however these individuals must have the permission of the computer room supervisor and shall be the sole responsibility of that supervisor. Any employee may enter this area with a valid reason, permission of the restricted area supervisor, and permission of an IEB agent on duty.
- (f) Card and dice storage room. All employees designated with the "A" access code, as provided by 205 CMR 138.12(1), and those games/poker department employees who hold the position of casino/poker shift manager or above may enter this restricted area. Any employee may enter this area with a valid reason and permission of the restricted area supervisor.
- (g) Card and dice destruction room. All employees designated with "A" access code, as provided by 205 CMR 138.12(1), may enter this restricted area.
- (h) Pit areas. All employees designated with the "A" and "P" access code, as provided by 205 CMR 138.x, may enter this restricted area. Employees designated with the "M", and "C" access codes, as provided by 205 CMR 138.12(1), may have access with limitations described under their access letter. Any employee may enter this area with a "valid" reason and permission of the restricted area supervisor.
- (e) Surveillance room and catwalks. All employees designated with the "A" access code, as provided by 205 CMR 138.12(1), who are surveillance room employees may enter this restricted area. All other employees designated with the "A" access code may have

access with the limitations described under their access letter. Employees designated with the "M" access code, as provided by 205 CMR 138.12(1), may have access with the limitations described under their access letter. Anyone who enters this restricted area, who is not a surveillance room employee or a member of the IEB, must sign the surveillance room entry log prior to entering the restricted area. The surveillance room secretary and/or surveillance room area cleaner may enter the surveillance room without a security escort to complete their job function, however these individuals must have the permission of the surveillance room area supervisor and are the sole responsibility of that supervisor. Any employee may enter this area with a valid reason, permission of the restricted area supervisor, and permission of an IEB agent on duty.

- (i) Access to restricted area for employees who do not hold a gaming employee license. All employees who would not otherwise be afforded access to a restricted area in accordance with 205 CMR 138.12(1) may be granted access to restricted areas with a valid reason, a security escort, and permission of the restricted area's department manager with limitations on the count rooms, surveillance room. Access may be granted to the count rooms while the counts are not in progress and with permission of the IEB Agent on duty. Access to the surveillance room/catwalks may be granted only with a valid work related reason and permission of the Director of Surveillance.
- (2) A gaming licensee may deny or limit access to any public areas of the gaming establishment for any reason necessary to ensure public safety and/or the integrity of the gaming operations, including, but not limited to, the following reasons:
  - (a) Persons excluded in accordance with 205 CMR 133: *Voluntary Self Exclusion* or M.G.L. c.23K, §45;
  - (b) Underage persons in a prohibited area;
  - (c) Players required by a gaming licensee to leave the game of poker in accordance with 205 CMR.
- (3) Nothing in 205 CMR 138.16 or a gaming licensee's system of internal controls shall limit the authority of commission employees or agents from obtaining access to restricted areas during the performance of their respective duties and responsibilities.

#### 138.17: Searches of employees and the workplace by the gaming licensee

- (1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include internal policies and procedures for the gaming licensee's security department to conduct searches of employees, including screening for drugs and alcohol, and employee workplaces, workspaces, and personal receptacles, specifically describing the policies and procedures with respect to searches conducted at random and based upon

reasonable suspicion. Examples of “workspaces” include, but are not limited to, desks, closets, lockers, and drawers located within the gaming establishment.

- (2) If the policies and procedures referenced in 205 CMR 138.14(1) are approved by the commission, such policies and procedures shall be set forth in writing, prior to implementation, as a portion of the gaming licensee’s employee personnel policy manual. The content of this manual shall include a requirement that the employee consents to searches conducted in the described workplace areas and subject to the described circumstances as a condition of employment with the gaming licensee. This manual shall be distributed to all employees. Each employee shall acknowledge in writing, by way of the employee’s signature, receipt of the manual and an understanding of its contents, and specifically an understanding that the employee consents to the policy and understands it. The gaming licensee shall maintain the written acknowledgements in a central repository.

#### 138.18: Vendor access badges

- (1) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions related to vendor access badges. Access badges may be issued to personnel of a gaming vendor and non-gaming vendor licensed or registered in accordance with 205 CMR 134.00 who in the course of providing their goods or services require access to a restricted area of the gaming establishment. Access badges shall be issued by the security department of the gaming licensee upon a verification of the identification of the specific employee with at least two forms of identification, at least one of which must be a government issued picture identification, and the employee’s work schedule. Each access badge shall be effective only for the term of the service to be provided, issued on a daily basis after confirmation of identity, and shall be surrendered to the security department at the end of each day.
- (2) The access badge shall contain the following information:
  - (a) A prominent space to allow the insertion of the name of the specific person to whom it is issued and identify the vendor employer;
  - (b) The date and time of issuance by the security department;
  - (c) Name and access badge number of issuing security officer; and
  - (d) A sequential number reflecting the number of total badges issued at that gaming establishment that is to be recorded in both an onsite IEB and security department access badge log book or database.

#### 138.19: Count rooms; physical characteristics; count protocols

- (1) A gaming licensee shall have one or more rooms to be known as a "count room" specifically designated, designed, and used for counting the contents of table drop boxes, slot cash storage boxes, slot drop buckets and slot drop boxes. If a gaming licensee’s system of internal controls provides for counts of the contents of slot drop buckets and slot drop boxes in a different room from the room where the table drop boxes and slot cash storage boxes are counted, that latter shall be known as the "soft count room," and the former shall be known

as the "hard count room."

- (2) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a description of all equipment used in the counting and recording process and all other systems used for purposes related to the counting of gross revenue and otherwise comport with the requirements of 205 CMR 138.xx.
- (3) A gaming licensee shall design and construct each count room to provide maximum security with, at a minimum, the following security measures:
  - (a) A metal door installed on each entrance and exit equipped with a lock, the key to which shall be maintained and controlled by the security department;
  - (b) An alarm device, which audibly signals the surveillance, security departments, and the on-site IEB office whenever a count room door is opened;
  - (c) A light system, which illuminates one or more lights in the surveillance department and at each count room door, for purposes of maintaining constant surveillance on the entrance and exits to the count room;
  - (d) Closed circuit television cameras wired to the surveillance department capable of, but not limited to, the following:
    - (1) Video monitoring of the entire count process; and
    - (2) Continuous video-monitoring of the interior of the count room, including storage cabinets or trolleys used to store drop boxes, slot cash storage boxes, slot drop buckets, and emergency drop boxes; and
  - (e) For the soft count room only, microphones wired to the surveillance department for audio monitoring of the entire count process.
- (4) In addition to the requirements of 205 CMR (3), a count room used to count slot drop boxes and buckets shall have:
  - (a) A fixed-door type or a hand-held metal detector used by a security department member to inspect all persons exiting the hard count room; and
  - (b) A separate light system or other device approved by the IEB which shall provide a continuous visual signal at the count room door, whenever any access door to the count room is opened while the system is activated. The light system or device shall:
    - (1) Maintain the visual signal until the system is reset or deactivated; and
    - (2) Be designed so as to permit its activation, deactivation or resetting only by a member of the security department.
- (5) The soft count room shall have:
  - (a) A table constructed of clear glass or similar material for the emptying, counting, and recording of the contents of drop boxes and slot cash storage boxes which shall be known as the "count table." Prior to the start of the count process, the key which secures the contents of the drop boxes shall be tethered and locked to the count table by the count team supervisor. The key shall not be removed until the count process is completed;
  - (b) A table constructed of clear glass or similar material for the stacking of the contents of table drop boxes and slot cash storage boxes which have been counted, prior to the



recount and acceptance by the cage cashier or cashier supervisor. The table shall be known as the "banking table;" and

- (c) A locked accounting box, the key to which shall be maintained and controlled by a supervisor in the casino accounting department with no incompatible functions.
- (6) The count room doors shall be secured at all times except when opened for the following authorized purposes:
- (a) To allow one or more members of the count team to change shifts or take a work break;
  - (b) To permit access to equipment by authorized IT department employees;
  - (c) To permit table drop boxes or slot cash storage boxes to be secured in the count room;
  - (d) To permit empty table drop boxes, slot cash storage boxes, emergency table game drop boxes or emergency slot cash storage boxes that were not part of the current count to be removed from the count room;
  - (e) To allow a main bank cashier or cage supervisor to enter the count room to recount and accept the drop;
  - (f) To allow the count team to exit the room at the conclusion of the count; or
  - (g) In the event of an emergency.
- (7) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a workflow diagram that shall indicate, at a minimum, the location of all equipment in a count room, all equipment used in the counting process and the flow of all currency, coupons, gaming vouchers and paperwork from the start of the count to the conclusion of the count.
- (8) The count team may simultaneously count the contents of the table drop boxes and the slot cash storage boxes provided that the contents of the table drop boxes remain segregated from the contents of the slot cash storage boxes throughout the count and acceptance by the main bank cashier or cage supervisor.
- (9) Except during an emergency, with the exception of the count team and agents of the IEB, prior to anyone entering or leaving a count room during the soft count process, all contents that have been removed from either a drop bucket, drop box or slot cash storage box shall be counted at least once and secured. Any trolleys that contain uncounted drop boxes or slot cash storage boxes shall be secured.
- (10) The opening, counting, and recording of the contents of table drop boxes, slot cash storage boxes, slot drop buckets, and slot drop boxes shall be performed in the presence of a count room supervisor. The count shall be performed by at least three employees ("count team"), which shall include the count room supervisor. The counting and recording process shall be discontinued where the minimum number of count room personnel is not present or are not capable of performing their responsibilities.
- (11) All persons present in the count room during the counting process, except agents of the IEB, shall:
- (a) Wear as outer garments, only a full-length, one-piece, pocketless garment with openings only for the arms, feet, and neck;
  - (b) Not be permitted to wear a long sleeve garment under the outer garment; and
  - (c) Not be permitted to carry a bag, pocketbook or other container unless it is transparent.

- (12) Access to the count room during the counting process shall be limited to the count team, other persons authorized by the IEB, or agents of the IEB. No count room employee shall, during the soft count process, enter a storage area for table drop boxes or slot cash storage boxes adjacent to the count room to perform any function not directly related to the counting process.
- (13) No person shall remove his or her hands from or return them to a position on or above the count table, banking table or counting equipment unless the backs and palms of his or her hands are first held straight out and displayed to other members of the count team and surveillance cameras. In addition, whenever any person enters or leaves the count room during the counting process, any employee remaining in the count room shall be required to step away from the count table, banking table and counting equipment until the person has entered or left the countroom.
- (14) Immediately prior to the commencement of the count, doors to the count room shall be securely locked and remain locked at all times, except when opened for an authorized purpose in 205CMR(f). A count team member shall notify surveillance that the count is about to begin, after which surveillance shall make a continuous video and, if applicable, audio recording, with the time and date inserted thereon, of the entire counting process. A count room member shall also notify surveillance whenever a count room door will be opened during the count.
- (15) Once all currency, gaming vouchers, coupons, coin and/or slot tokens have been counted and the final count totals have been obtained, no employee shall be permitted to leave the count room, except in an emergency, until the recount and acceptance of the drop is completed by a cage cashier or cashier supervisor.
- (16) The count room supervisor shall prepare a record of the names and credential or license numbers of each employee who was present in the count room during any part of the count process. Such record shall be forwarded to the accounting department at the conclusion of the count.

138.20: Possession of firearms

- (1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02(1) shall include a policy prohibiting any person from possessing a firearm within or upon the premises of a gaming establishment. Persons violating this policy shall be removed from the gaming establishment by the gaming licensee or law enforcement personnel.
- (2) Notwithstanding 205 CMR 138.20(1), the following individuals may, in the course of their official duties, possess a firearm within or upon the premises of a gaming establishment:
  - (a) A member of the Massachusetts State Police assigned to the Gaming Enforcement Unit;
  - (b) A law enforcement officer of the host community police department assigned to work at the gaming establishment pursuant to the memorandum of agreement required to be executed in accordance with M.G.L. c. 23K, §6(f);
  - (c) An official who is specifically authorized to do so by the Commission or the IEB; and
  - (d) A federal law enforcement officer.
- (3) Any law enforcement officer in possession of a firearm, other than a member of the Massachusetts State Police assigned to the Gaming Enforcement Unit, shall provide notification to an official within the on-site office of the State Police Gaming Enforcement

Unit at the gaming establishment prior to arrival or upon arrival at the gaming establishment. This notification shall be documented with the onsite office of the State Police Gaming Enforcement Unit.

- (4) The gaming licensee shall post in a conspicuous location at each entrance to the gaming establishment a legible sign that states:

*“No firearms are allowed within or upon the premises of this gaming establishment. This prohibition extends to all areas of this facility: public, non-public, restricted, and non-restricted areas. Persons violating this restriction will be removed from the premises and subject to further investigation and, if appropriate, prosecution. If you have any questions about this prohibition, please request to see an official from the Massachusetts Gaming Commission Office before proceeding.*

*Certain law enforcement officers may be exempt from this prohibition; however they must notify the Massachusetts State Police of their presence by either visiting the Massachusetts State Police Gaming Enforcement Unit Office on site or by calling the State Police Gaming Enforcement Unit at [insert phone number].”*

#### 138.21: Protection of minors

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include internal policies and procedures including, at minimum, the following:

- (1) that the gaming licensee’s security and surveillance department perform regular checks of the parking areas of the gaming establishment for purposes of locating any minors left unattended in motor vehicles and for the immediate report any such incidents to the local and state police in the municipality where the gaming establishment is located; and
- (2) security procedures for ensuring the safety of minors on the premises of a gaming establishment.

#### 138.22: Critical incident preparedness plan

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a detailed critical incident preparedness plan to enhance the prevention of, preparedness for, and response to critical incidents, including without limitation natural disasters, workplace violence, dangerous substance, and active shooter crisis incidents. This plan shall be submitted for approval by the IEB. This plan shall include a training component which is designed to enhance awareness of pre-incident indicators and describe actions to take to prevent and prepare for potential crisis incidents. This plan also shall include an action plan that describes the gaming establishment’s pre-planning and coordination for a series of activities and procedures involving the gaming licensee’s management and security personnel; the commission on-site officials; the onsite responding Massachusetts State Police personnel; the responding local, county, state law enforcement personnel; EMS and other first responder personnel, all in response to potential or actual critical incidents. The gaming licensee shall review its crisis preparedness plan annually. The gaming licensee’s submission shall be evaluated in terms of its adequacy to assure that reasonable preparation and steps have been taken to ensure public safety, inter-agency crisis communication, tactical coordination, site facility identification and pre-

staging, which as a whole, shall serve to maximize the protections afforded to the public, patrons, employees, law enforcement officers, and first responders and maximize the efficacy of first responder actions in emergent critical incident situations.

*Construction/design*

138.23: Drop boxes for table games and electronic table games; gaming table slot cash storage boxes

RESERVED

138.24: Cashiers' cage; satellite cages; master coin bank; coin vaults

(1) Each establishment shall have on or immediately adjacent to the gaming area a physical structure known as a cashiers' cage ("cage") to house the cashiers and to serve as the central location in the gaming area for the following:

- (a) The custody of the cage inventory comprising currency including patrons' deposits, coin, patron checks, gaming chips and plaques, and of forms, documents, and records normally associated with the operation of a cage;
- (b) The approval, exchange, redemption, and consolidation of patron checks received for the purposes of gaming;
- (c) The receipt, distribution, and redemption of gaming chips and plaques
- (d) The issuance, receipt and reconciliation of imprest funds used by slot attendants in the acceptance of currency and coupons from patrons in exchange for currency;
- (e) The issuance, receipt and reconciliation of imprest chip funds and currency used by chippersons in the acceptance of coin, currency, slot tokens and coupons from seated poker patrons in exchange for chips; and
- (f) Such other functions normally associated with the operation of a cage.

(2) If a gaming establishment will make use of coins or tokens in its gaming operation it shall have within the cage or in such other area as approved by the commission a physical structure known as a master coin bank to house master coin bank cashiers. The master coin bank shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein and serve as the central location in the gaming establishment for the following:

- (a) The custody of currency, coin, prize tokens, slot tokens, forms, documents and records normally generated or utilized by master coin bank cashiers, slot cashiers, changepersons, and slot attendants;
- (b) The exchange of currency, coin, coupons, prize tokens and slot tokens for supporting documentation;
- (c) The responsibility for the overall reconciliation of all documentation generated by master coin bank cashiers, slot cashiers, changepersons, and slot attendants;

- (d) The receipt of coin and slot tokens from the hard count room; and
  - (e) Such other functions normally associated with the operation of the master coin bank.
- (3) The cage shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein; such design and construction shall, at a minimum, include the following features and specifications:
- (a) It shall be fully enclosed except for openings through which materials such as gaming chips and plaques, slot tokens and prize tokens, patron checks, cash, records, and documents can be passed to service the public, gaming tables, and slot booths;
  - (b) It shall have a manually triggered silent alarm system for the cage, ancillary office space, and any related vault, which systems shall be connected directly to the monitoring rooms of the closed circuit television system, IEB office and the security department office;
  - (c) It shall have double door entry and exit system (MAN-TRAP) that will not permit an individual to pass through the second door until the first door is securely locked. In addition:
    - (1) The first door adjacent to the gaming floor of the double door entry and exit system shall be controlled by the security department. The second door of the double door entry and exit system shall be controlled by the cashiers' cage;
    - (2) The system shall have closed circuit television coverage which shall be monitored by the security department or surveillance department; and
    - (3) Any entrance to the cage that is not a double door entry and exit system shall be an alarmed emergency exit door only.
  - (d) It shall have separate locks on each door of the double door entry and exit system, the keys to which shall be different from each other.
- (4) Each master coin bank located outside the cage shall meet all the requirements of 205 CMR (3).
- (5) Each gaming establishment may have separate areas for the storage of coin, prize tokens and slot tokens ("coin vaults") in locations outside the cage or master coin bank, as approved by the commission.
- (6) Each coin vault shall be designed, constructed and operated to provide maximum security for the materials housed and activities performed therein, and shall include at least the following:
- (a) A fully enclosed room, located in an area not open to the public;
  - (b) A metal door with one key that shall be maintained and controlled by the main bank or master coin bank, which shall establish a sign-in and sign-out procedure for removal and replacement of that key;
  - (c) An alarm device that signals the monitors of the gaming licensee's close circuit television system whenever the door to the coin vault is opened; and
  - (d) Closed circuit television cameras capable of accurate visual monitoring and taping of any activities in the coin vault.
- (7) Each gaming establishment may also have one or more "satellite cages" separate and apart

from the cashiers' cage, but in or adjacent to a gaming area or simulcasting facility, established to maximize security, efficient operations, or patron convenience and comfort and designed and constructed in accordance with this regulation. Subject to commission approval, a satellite cage may perform any or all of the functions of the cashiers' cage. The functions which are conducted in a satellite cage shall be subject to the applicable accounting controls set forth in 205 CMR.

(8) Each gaming licensee shall file with the commission the names of all persons possessing the combination or keys to the locks securing the entrance to the cage, any satellite cages, master coin bank and coin vaults; as well as all persons possessing the ability to operate alarm systems for the cage, any satellite cages, master coin bank and coin vaults.

(9) Notwithstanding 205 CMR (b), each gaming licensee may, with prior commission approval, operate its cashiers' cage without the master coin bank, provided that the main bank serves as the central location in the gaming establishment for the transactions enumerated in 205 CMR (b)1 through 5, and provided further, that the references therein and elsewhere in 205 CMR 138.00 to:

- (a) "Master coin bank cashiers" shall apply instead to the main bank cashiers assigned the duties and performing the functions that would otherwise be assigned to or performed by master coin bank cashiers; and
- (b) The "master coin bank" shall apply instead to the main bank, but only insofar as it is authorized to perform master coin bank functions.

(10) Whenever the 205 CMR or the approved internal controls of a gaming licensee require or authorize documents to be transported from the cashiers' cage to a satellite cage or from a satellite cage to the cashiers' cage or another satellite cage, the gaming licensee shall, unless specified otherwise, transport the documents through the use of a pneumatic tube system or a casino security department representative.

#### 138.25: Simulcast counter

(1) A simulcasting facility shall contain a physical structure known as a simulcast counter to house the pari-mutuel cashiers and to serve as the central location in the simulcasting facility for the following:

- (a) The custody of the simulcast counter inventory including, without limitation, currency and coin and the forms and documents normally associated with the operation of a simulcast counter;
- (b) The receipt of currency, coin, gaming chips, coupons and slot tokens for simulcast wagering;
- (c) The issuance of cash to patrons upon the presentation of a recognized credit or debit card in accordance with these regulations; and
- (d) Such other functions normally associated with the operation of a simulcast counter.

(2) The simulcast counter shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein; such design and construction shall, at a minimum, include the following:

- (a) One or more numbered pari-mutuel windows, each of which shall contain a pari-mutuel machine and a cashier's drawer, in which shall be deposited all currency, coins, gaming chips, slot tokens, coupons and duplicate slips evidencing exchanges with the cashiers' cage, satellite cage or simulcast vault, or a self-service pari-mutuel machine;
- (b) A work area containing at least one remote management console ("RMC") and terminal to generate reports on pari-mutuel wagering, which shall be used only by the simulcast shift supervisor or above, and casino pari-mutuel cashiers, who shall only be allowed access under the direct supervision of the simulcast supervisor or above; and,
- (c) A simulcast vault, which shall:
  - (1) Be secured by a lock, the key to which shall be:
    - (a) Different from the key to any lock in the cashiers' cage or satellite cage; and
    - (b) Maintained and controlled by the simulcast shift supervisor or above; and
  - (2) Contain a supply of currency and coin under the control of a vault cashier, simulcast shift supervisor or above to be utilized for the pari-mutuel window inventories and to replenish the pari-mutuel window inventories, when necessary.
- (3) The simulcast counter may be contiguous to a cashiers' cage or satellite cage with ingress and egress thereto, provided that the simulcast counter and cashiers' cage or satellite cage are functionally segregated.
- (4) A simulcasting facility may contain one or more ancillary simulcast counters to house pari-mutuel cashiers. An ancillary simulcast counter shall comply with all of the provisions of 205 CMR 138.25(2); provided however, that the requirements of a direct dial-up telephone line, RMC, simulcast vault and simulcast shift supervisor for the ancillary simulcast counter, or any of them, may be waived if, considering, among any other relevant factors, the number of pari-mutuel windows in the ancillary simulcast counter, the proximity of the ancillary simulcast counter to the simulcast counter, and the span of authority and responsibility of the supervisor, the commission determines that any such requirement is not necessary to the maintenance of adequate supervision of the simulcast wagering operations.

138.26: Keys for dual locks; gaming licensee-controlled keys and locks; notice to the IEB and surveillance department upon malfunction and repair, maintenance or replacement

- (1) Any key, locking mechanism or locking system that is required by 205 CMR 138.00 shall be patented. Such key shall be legally duplicable only by the manufacturer or an agent or successor thereof, and shall be capable of unlocking the locking device on no more than one type of secure box, compartment or location used or maintained within the gaming establishment.
- (2) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a process for inventorying and identifying each controlled key, locking mechanism, or locking system and setting forth the procedure by which the key, locking mechanism, or locking system shall be controlled. Such internal controls shall, at a minimum, include an enumeration of those incidents or events which, if they occurred, would compromise the security of the gaming licensee's locking systems and require it to immediately comply with the provisions herein.

- (3) The types of secure boxes, compartments or locations that require a unique key, locking mechanism, or locking system shall include, without limitation, the following:
  - (a) Drop boxes;
  - (b) Slot cash storage boxes;
  - (c) Trolleys to transport drop boxes from gaming tables to a secure location;
  - (d) Trolleys or cabinets used to transport or store, respectively, slot cash storage boxes;
  - (e) Count room entrance and exit doors;
  - (f) Compartments housing slot drop buckets;
  - (g) Slot drop boxes;
  - (h) Compartments housing slot drop boxes;
  - (i) Areas in which slot cash storage boxes are located;
  - (j) Compartments housing microprocessors or other control units controlling progressive meter(s) for progressive slot machines;
  - (k) Locations housing a computer that controls a progressive payout wager system for gaming tables offering a progressive payout wager; and
  - (l) Storage cabinets or trolleys for unattached slot drop boxes.
- (4) A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include inventory procedures for any key required to be controlled and maintained by a gaming licensee and for any corresponding locking device including, without limitation, any key and locking device required by 205 CMR 138.00 for a dual control locking system. The key and locking device inventory controls of each gaming licensee shall include, at a minimum, procedures for:
  - (a) Maintenance of inventory ledgers by identified, authorized personnel for purposes of documenting:
    - (1) The requisitioning of keys and locking devices from vendors;
    - (2) The receipt of blank key stock;
    - (3) The storage and issuance of keys and locking devices;
    - (4) Any loss, removal from service, and subsequent replacement of keys and locking devices;
    - (5) The destruction of keys and locking devices; and
    - (6) The results of physical inventories;
  - (b) The storage of duplicate keys and locking devices, including a physical description of any storage location and the identification of authorized personnel in control of such location;
  - (c) The destruction of keys and locking devices, including documentation detailing in whose presence any destruction shall occur; and
  - (d) Physical inventories of all keys and locking devices at least once every 12 months.
- (5) A gaming licensee shall notify the IEB and its surveillance department immediately upon becoming aware of any malfunction of any alarm system or alarmed door, and upon any emergency service to restore their proper function. In addition, a gaming licensee shall provide the IEB and its surveillance department with at least 24 hours written notice prior to



effecting any non-emergency repair, maintenance or replacement of any such alarm system or alarmed door including, without limitation:

- (a) Alarm systems for any emergency exit from the gaming floor or simulcasting facility;
- (b) Alarm systems for the cage, its ancillary office space and any related vault;
- (c) Alarm systems for any master coin bank located outside the cage;
- (d) Alarmed emergency exit door(s) for the cage;
- (e) Alarmed doors to vaults signaling the closed circuit television system;
- (f) Alarmed doors to count rooms signaling the monitoring rooms and the security department;
- (g) Alarm systems providing for a continuous visual signal whenever any access door to the count room is open; and
- (h) Alarm systems for any slot cashier window in a slot booth.

#### 138.27: Capital expenditure plan

A gaming licensee shall make, or cause to be made, capital expenditures to its gaming establishment in a minimum aggregate amount equal to 3.5 per cent of the net gaming revenues derived from the gaming establishment; provided, however, that a gaming licensee may make capital expenditures in an amount less than 3.5 per cent per year as part of a multi-year capital expenditure plan approved by the commission. If the gaming licensee intends to make capital expenditures as part of a multi-year capital plan, the plan shall be submitted to the commission as part of its system of internal controls in accordance with 205 CMR 138.02.

#### *Gaming Establishment Operations*

#### 138.28: Gaming day

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall specify what the 'gaming day' will be for accounting purposes. Each gaming licensee may establish a gaming day for slot machines which is different from its gaming day for table games; provided, however, that no gaming day shall be longer than 24 hours

#### *Area functions*

#### 138.29: Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include protocols and procedures for the function of the cashiers' cage, satellite cages, master coin bank, and coin vaults that, at a minimum, comport with the following:

- (1) The assets for which the general cashiers are responsible shall be maintained on an imprest basis. At the end of each shift, the cashiers assigned to the outgoing shift shall record on a Cashiers' Count Sheet or by electronic means the face value of each cage inventory item

counted and the total of the opening and closing cage inventories and shall reconcile the total closing inventory with the total opening inventory.

- (2) At the opening of every shift, in addition to the imprest funds normally maintained by the general cashiers, each gaming licensee shall have on hand in the cage, or readily available thereto, a reserve cash bankroll adequately funded to pay winning patrons.
- (3) Except as otherwise authorized by **138.xx**, the cashiers' cage and any satellite cage shall be physically segregated by personnel and, at a minimum, function as follows:
  - (a) General cashiers shall operate with individual imprest inventories of cash and, at the discretion of the gaming licensee, slot tokens and gaming chips, and such cashiers' functions shall include, but are not limited to the following:
    - (1) Receive cash, cash equivalents, patron checks, gaming chips, complimentary cash gifts, casino checks, casino affiliate checks, annuity jackpot trust checks, redemption receipts, slot tokens and gaming plaques from patrons for check consolidations, total or partial redemptions or substitutions;
    - (2) Receive gaming chips, slot tokens and prize tokens from patrons or authorized employees pursuant. **138.xx** or **138.xx** in exchange for cash;
    - (3) Receive cash, cash equivalents, casino checks, casino affiliate checks and annuity jackpot trust checks from patrons in exchange for currency, slot tokens or coin;
    - (4) Receive checks for non-gaming purposes from patrons in exchange for cash;
    - (5) Receive cash, cash equivalents, casino checks, casino affiliate checks, annuity jackpot trust checks, slot tokens, prize tokens and gaming chips from patrons in exchange for Customer Deposit Forms;
    - (6) Receive gaming plaques from patrons in exchange for cash or Customer Deposit Forms in accordance with an approved system of accounting;
    - (7) Receive Customer Deposit Forms from patrons in exchange for cash or slot tokens;
    - (8) Receive coupons from patrons in exchange for currency, slot tokens or coin, in conformity with **138.xx**;
    - (9) Receive checks from check cashiers to be returned to patrons for check redemptions, partial redemptions, consolidations or substitutions;
    - (10) Receive Wire Transfer or Electronic Fund Transfer Acknowledgment Forms in accordance with **138.xx** for the purpose of completing Customer Deposit Forms;
    - (11) Receive from check, chip bank, master coin bank and reserve cash cashiers documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashiers' cage;
    - (12) Receive Voucher forms in accordance with. **138.xx** for the processing of travel expense reimbursements;
    - (13) Exchange Slot Counter Checks in accordance with **138.xx**;
    - (14) Prepare Jackpot Payout Slips in accordance with **138.xx**;
    - (15) Prepare Hopper Fill Slips in accordance with **138.xx**;

- (16) Receive slot tokens from, and transmit slot tokens and prize tokens to, the master coin bank in exchanges supported by proper documentation;
  - (17) Prepare forms for the completion of payments for table game progressive payout wagers pursuant to **138.xx**;
  - (18) Receive gaming vouchers from patrons in exchange for currency, slot tokens or coins, or from authorized employees in exchange for cash, in conformity with **138.xx**;
  - (19) Prepare patron credit files and verify information therein supporting patron credit applications in accordance **138.xx**;
  - (20) Prepare redemption receipts in accordance with. **138.xx**;
  - (21) Issue, receive and reconcile imprest funds used by slot attendants, including an imprest change/pouch payout fund not exceeding \$5,000, to be used in accordance with **138.xx**;
  - (22) Exchange currency for coupons, currency and Pouch Payout Slips from slot attendants;
  - (23) Receive cash and gaming chips from patrons for gaming chips, if operating with an imprest inventory of gaming chips; and
  - (24) Receive gaming chips from the chip bank in exchanges supported by proper documentation, if operating with an imprest inventory of gaming chips.
- (b) Check cashiers (also known as "check bank cashiers") shall not have access to cash, gaming chips and plaques, except in accordance with 205 CMR(4), and such cashiers' functions may include the following:
- (1) Receive the original and redemption copies of Counter Checks and Slot Counter Checks;
  - (2) Receive from general cashiers, checks accepted for total or partial Counter Check and Slot Counter Check redemptions;
  - (3) Receive checks from general cashiers for Counter Check and Slot Counter Check consolidations;
  - (4) Receive personal checks from general cashiers for Counter Check and Slot Counter Check substitutions;
  - (5) Prepare bank deposit slips or supporting documentation for checks to be deposited;
  - (6) Receive Wire Transfer or Electronic Fund Transfer Acknowledgment Forms in accordance with. **138.xx** for the purpose of redeeming Counter Checks and Slot Counter Checks or accepting payment on returned Counter Checks and Slot Counter Checks; and
  - (7) Receive from general, chip bank and reserve cash cashiers' documentation with signatures thereon, required for the effective segregation of functions in the cashiers' cage.

- (c) Chip bank cashiers shall not have access to currency or cash equivalents, but shall operate with a limited inventory of \$0.50 and \$0.25 coins which may only be used to facilitate odds payoffs or vigorish bets, except in accordance with 205 CMR (4). Such cashiers' functions may include the following:
- (1) Receive gaming chips and coin removed from gaming tables from a security department member in exchange for the issuance of a Credit;
  - (2) Receive gaming plaques removed from gaming tables from a security department member in exchange for the issuance of a credit in accordance with an approved system of accounting controls;
  - (3) Receive Requests for Fills in exchange for the issuance of a Fill, the dispersal of gaming chips and coin to a security department member and the dispersal of gaming plaques to a security department member in accordance with an approved system of accounting controls;
  - (4) Receive gaming chips from the general cashiers, main bank cashiers, master coin bank cashiers, cage supervisors and personnel assigned to a non-cage employee redemption site in exchange for proper documentation;
  - (5) Receive from general, check bank and reserve cash cashiers documentation with signatures thereon, required for the effective segregation of functions in the cashiers' cage;
  - (6) Receive proper documentation from chippersons and general cashiers in exchange for imprest inventories of gaming chips, to be used in conformity with this chapter; and
  - (7) Such other functions as approved by the commission.
- (d) Reserve cash ("main bank") cashiers' functions shall include, but are not limited to, the following:
- (1) Receive cash, gaming vouchers, cash equivalents, issuance copies of Slot Counter Checks, original copies of Jackpot Payout Slips, personal checks received for non-gaming purposes, slot tokens, prize tokens, gaming chips and plaques from general cashiers in exchange for cash;
  - (2) Receive cash from the coin and currency count rooms;
  - (3) Receive checks and supporting documentation from check cashiers for deposit if such deposit is not made by the check cashier;
  - (4) Prepare the overall cage reconciliation and accounting records;
  - (5) Prepare the daily bank deposit for cash and checks;
  - (6) Issue, receive and reconcile imprest funds used by slot attendants and chippersons;
  - (7) Exchange currency for coupons and currency from slot attendants;
  - (8) Receive from general, chip and check bank cashiers, documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashiers' cage;

- (9) Be responsible for the reserve cash bankroll;
  - (10) Receive gaming chips, slot tokens and coupons from the simulcast vault or casino pari-mutuel cashiers;
  - (11) Exchange currency, coin, slot tokens, gaming chips and coupons with the keno booth in exchange for proper documentation;
  - (12) Perform the functions enumerated in 205 CMR (c)5 of master coin bank cashiers, but only to the extent that the gaming licensee has obtained, pursuant to **138.xx**, prior commission approval to operate its cashiers' cage without the master coin bank specified by **138.xx**;
  - (13) Receive unsecured currency, unsecured gaming vouchers and unsecured coupons from slot department representatives or casino accounting department representatives pursuant to **138.xx**;
  - (14) Prepare Unsecured Bill Changer Currency/Coupon Reports in accordance with **138.xx**;
  - (15) Receive slot tokens, prize tokens and gaming chips from personnel assigned to a non-cage employee redemption site in exchange for proper documentation;
  - (16) Receive slugs from the hard count room and slot department and maintain the slugs in inventory until destroyed in accordance with **138.xx**
  - (17) Prepare Cash Fills and Balance Receipts in accordance with **138.xx** and **138.xx**
  - (18) Issue and receive currency cassettes, currency cassette reject bins, coin hoppers and returned coin with respect to the operation of automated jackpot payout machines;
  - (19) Issue and receive currency cassettes, currency cassette reject bins, coin hoppers, returned coin and bill validator boxes with respect to the operation of gaming voucher redemption machines;
  - (20) Receive, from a count room, cash counted from bill validator boxes in exchange for proper documentation; and
  - (21) Perform exchanges with the master coin bank supported by proper documentation in accordance with approved internal controls.
- (e) Master coin bank cashiers' functions shall include, but are not limited to, the following:
- (1) Receive currency, coin, slot tokens, prize tokens, gaming chips, gaming vouchers and coupons from slot cashiers in exchange for proper documentation;
  - (2) Receive coin and slot tokens from the hard count room;
  - (3) Provide slot cashiers with currency, coin, prize tokens and slot tokens in exchange for proper documentation;
  - (4) Issue, receive and reconcile imprest funds used by slot attendants, including an imprest change/pouch payout fund not exceeding \$5,000, to be used in accordance with 19:45-1.40E;
  - (5) Exchange currency for coupons, currency and Pouch Payout Slips from slot attendants;

- (6) Prepare the daily bank deposit of excess cash;
  - (7) Prepare Jackpot Payout Slips in accordance with **138.xx**;
  - (8) Prepare Hopper Fill Slips in accordance with **138.xx**;
  - (9) Receive slot tokens and prize tokens from cage supervisors, general cashiers, main bank cashiers and personnel assigned to a non-cage employee redemption site, and transmit slot tokens to general cashiers in exchanges supported by proper documentation;
  - (10) Exchange currency, coin, slot tokens, gaming chips and coupons with the keno booth and simulcast counter in exchange for proper documentation;
  - (11) Receive slugs from the hard count room and slot department and maintain the slugs in inventory until destroyed in accordance with **138.xx**;
  - (12) Prepare Cash Fills and Balance Receipts in accordance with **138.xx**
  - (13) Issue and receive currency cassettes, currency cassette reject bins, coin hoppers and returned coin with respect to the operation of automated jackpot payout machines;
  - (14) Issue and receive currency cassettes, currency cassette reject bins, coin hoppers, returned coin and bill validator boxes with respect to the operation of gaming voucher redemption machines;
  - (15) Receive, from a count room, cash counted from bill validator boxes in exchange for proper documentation; and
  - (16) Perform exchanges with the main bank supported by proper documentation in accordance with approved internal controls.
- (4) Notwithstanding the requirements of **138.xx**, a gaming licensee may consolidate the functions of the chip bank cashier with the functions of the check cashier, by providing for consolidated cashier functions in its system of internal controls submitted in accordance with 205 CMR 138.02.
- (5) Signatures attesting to the accuracy of the information contained on the Cashiers' Count Sheet shall be provided, at a minimum, by the following cashiers after preparation of Cashiers' Count Sheet:
- (a) The general cashiers assigned to the incoming and outgoing shifts;
  - (b) The check cashiers assigned to the incoming and outgoing shifts;
  - (c) The chip bank cashiers assigned to the incoming and outgoing shifts;
  - (d) The reserve cash cashiers assigned to the incoming and outgoing shifts;
  - (e) The master coin bank cashiers assigned to the incoming and outgoing shifts; and
  - (f) The slot cashiers assigned to the incoming and outgoing shifts.
- (6) At the end of each gaming day, at a minimum, a copy of the Cashiers' Count Sheets and related documentation shall be forwarded to the accounting department for agreement of opening and closing inventories, agreement of amounts thereon to other forms, records, and

documents required by this chapter, agreement of transportation reimbursement disbursements with supporting documentation and recording of transactions.

- (7) Coin vaults authorized pursuant to **138.xx** shall be under the control of the accounting department or an independent slot machine cage department established pursuant to **138.xx**. The storage of coin, prize tokens or slot tokens in, or the removal of coin, prize tokens or slot tokens from, any coin vaults shall be properly documented, and the amount of coin, prize tokens and slot tokens in each coin vault shall be reconciled at the end of each gaming day.
- (8) If the gaming establishment permits the use of coins or tokens for slot machine play, at least 10 percent of all bags of coins or slot tokens counted and bagged by each slot cashier, master coin bank cashier or main bank cashier outside of the count room shall be randomly selected and recounted by a slot cashier supervisor or cage supervisor, as applicable, through the use of a weighing device or a counting device. Unless otherwise approved by the commission, the recount shall be performed prior to the end of the cashier's shift and shall be recorded on supporting documentation in a manner approved by the Commission. In the alternative, a gaming licensee's internal control procedures may be designed to ensure that at least 10 percent of all bags of coins or slot tokens counted and bagged by each slot cashier, master coin bank cashier or main bank cashier outside of the count room shall be randomly selected and recounted. If a discrepancy greater than plus or minus \$1.00 for any denomination of bagged coins or greater than plus or minus one token for bagged slot token denominations of \$25.00 and below is found during the weighing of the sample bag, then the sample bag shall be opened and recounted by a counting machine provided, however, for slot token denominations greater than \$25.00, any discrepancy shall require a recount. Notwithstanding the foregoing, a representative of the commission may direct a slot cashier, master coin bank cashier or main bank cashier to weigh or recount any bag of coins or slot tokens prepared outside of the count room on a random basis.
- (9) The assets for which a chipperson are responsible shall be maintained on an imprest basis which, at a minimum, shall provide documentation to the chip bank, main bank and chipperson for the receipt of the imprest inventory and any subsequent receipt of gaming chips and currency, and documentation to the main bank for the return of the chipperson's inventory at the end of his or her shift. The main bank shall be responsible for the return to the chip bank of any gaming chips remaining in the chipperson's possession at the end of his or her shift.

#### 138.30: Accounting controls within the simulcast counter

If a gaming licensee intends to engage in simulcasting it must include in its system of internal controls submitted in accordance with 205 CMR 138.02 protocols and procedures for such operation that, at a minimum, meet the following requirements:

- (1) Whenever a pari-mutuel cashier begins a shift, he or she shall commence with an amount of currency and coin to be known as the "simulcast inventory," and no simulcasting facility shall cause or permit currency, coin, gaming chips, slot tokens or coupons to be added to, or

removed from, such simulcast inventory during such shift except:

- (a) In collection of simulcast wagers;
- (b) In order to make change for a patron buying a pari-mutuel ticket;
- (c) In collection for the issuance of credit vouchers;
- (d) In payment of winning or properly cancelled or refunded pari-mutuel tickets;
- (e) In payment for credit vouchers; or
- (f) In exchanges with the cashiers' cage, a satellite cage or simulcast vault.

- (2) A "simulcast count sheet" shall be completed and signed by the vault cashier or simulcast shift supervisor at the simulcast vault or other designated area as approved by the commission, and the following information, at a minimum, shall be recorded thereon at the commencement of a shift:
  - (a) The date, time and shift of preparation;
  - (b) The denomination of currency and coin in the simulcast inventory issued to the casino pari-mutuel cashier;
  - (c) The total amount of each denomination of currency and coin in the simulcast inventory issued to the pari-mutuel cashier;
  - (d) The pari-mutuel window number to which the pari-mutuel cashier is assigned; and
  - (e) The signature of the vault cashier or simulcast shift supervisor.
- (3) The pari-mutuel cashier assigned to the pari-mutuel window shall count the simulcast inventory in the presence of the vault cashier or simulcast shift supervisor at the simulcast vault, or other designated area as approved by the commission, and shall reconcile the count with the simulcast count sheet. The pari-mutuel cashier shall sign the count sheet attesting to the accuracy of the information recorded thereon.
- (4) The simulcast inventory shall be placed in a cashier's drawer and transported directly to the appropriate pari-mutuel window by the pari-mutuel cashier.
- (5) At the conclusion of a pari-mutuel cashier's shift, the cashier's drawer and its contents shall be transported directly to a designated area in the simulcast counter, where the pari-mutuel cashier shall count the contents of the drawer and record the following information, at a minimum, on the simulcast count sheet:
  - (a) The date, time and shift of preparation;
  - (b) The denomination of currency, coin, gaming chips, slot tokens and coupons in the drawer;
  - (c) The total amount of each denomination of currency, coin, gaming chips, slot tokens and coupons in the drawer;
  - (d) The total of any exchanges;
  - (e) The total amount in the drawer; and
  - (f) The signature of the pari-mutuel cashier;
- (6) The vault cashier or simulcast shift supervisor shall compare the pari-mutuel window net for the shift as generated by the terminal and if it agrees with the simulcast count sheet total plus the simulcast inventory, shall agree the count to the simulcast count sheet and sign the



simulcast count sheet attesting to the accuracy.

- (7) If the pari-mutuel window net for the shift as generated by the RMC does not agree with the simulcast count sheet total plus the simulcast inventory, the vault cashier or simulcast shift supervisor shall record any overage or shortage. If the count does not agree, the pari-mutuel cashier and the vault cashier or simulcast shift supervisor shall attempt to determine the cause of the discrepancy in the count. If the discrepancy cannot be resolved by the pari-mutuel cashier and the vault cashier or simulcast shift supervisor, such discrepancy shall immediately be reported to the simulcast counter manager, or department supervisor in charge at such time, the security department and the IEB verbally. If the discrepancy is \$500.00 or more, a security department member shall complete the standard security report in writing, as approved by the IEB, and immediately forward a copy to the commission.

### *Procedures*

#### 138.31: Procedure for accepting cash and coupons at gaming tables

RESERVED

#### 138.32: Table game drop boxes, transport to and from gaming tables; storage boxes

RESERVED

#### 138.33: Removal of slot drop buckets, slot drop boxes and slot cash storage boxes; Unsecured currency; recording of meter readings for slot machine drop

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures and protocols relative to the removal of slot drop boxes, slot cash storage boxes, unsecured currency, and the recording of meter readings for slot machine drop that, at a minimum, incorporates the following requirements:

- (1) A gaming licensee shall file with the IEB a schedule setting forth the specific times at which the slot drop buckets, slot drop boxes and slot cash storage boxes ("slot drop containers") will be brought to or removed from the slot machines. The schedule shall include the number of slot drop containers to be removed each day by zone or other designation. No slot drop container shall be removed from a slot machine at other than the times specified on such schedule except with contemporaneous notification to the IEB. The slot drop containers shall be removed at least once a week. If an approved slot monitoring system is used to generate a slot drop estimate report pursuant to 205 CMR 138.xx, the schedule for the removal of slot drop boxes and slot drop buckets may be extended.

- (2) All slot drop containers which are not actively in use shall be stored in the count room or other secure area outside the count room as approved by the IEB. In addition, slot drop boxes and slot cash storage boxes shall be stored in an enclosed storage cabinet or trolley, secured by a key maintained and controlled by the security department. Control of the key shall be limited to supervisors in that department and shall be documented, at a minimum, by a sign-out and sign-in procedure in accordance with the security submission approved by the IEB.
- (3) Slot drop containers shall be removed from a slot machine by at least three employees, two of whom shall be members of the casino security department and one of whom shall be a member of the accounting department ("the slot drop team"). An accounting department member shall be the drop team supervisor and shall be a key licensee. Other than security department member, all employees participating in the removal of slot drop containers shall wear as outer garments only a full-length, one-piece pocketless garment with openings only for the hands, feet and neck. Each gaming licensee shall also maintain and make available to the IEB upon request, the names and credential numbers of the slot drop team.
- (4) The drop team supervisor shall notify the surveillance department at the commencement of the slot drop process. Surveillance shall make a continuous video recording, with the time and date inserted thereon, of the entire slot drop container removal process.
- (5) A security department member shall sign out the count room door key and padlock key, which are maintained and controlled by the security department. Access to these keys shall be limited to security supervisors and shall be controlled, at a minimum, by a sign-out and sign-in procedure described in the gaming licensee's security internal control submission as approved by the IEB.
- (6) To begin the scheduled slot drop container removal process, the drop team supervisor shall perform a physical count of the empty slot drop containers removed from storage. The count and the gaming date shall be documented on a two-part slot drop container verification form. The drop team supervisor shall compare the count of the empty slot containers to the collection schedule. Any discrepancy between the number of empty slot drop containers physically counted and the number indicated on the collection schedule shall be recorded on the slot drop container verification form and signed by the drop team supervisor.
- (7) The security department member shall remove the trolley(s) containing the empty slot drop containers from the count room or other storage area and transport them to a slot zone.
- (8) Prior to removing any slot drop containers, a security department member shall, at a minimum:
  - (a) Notify patrons that a slot machine will be closed for removing slot drop containers;
  - (b) Restrict patrons from the slot aisles where slot drop containers are removed;
  - (c) Secure the area while the slot drop containers are removed;
  - (d) Secure full slot drop containers while they are transported within the gaming establishment; and
  - (e) Remain with the trolley at all times.

- (9) Procedures and requirements for removing slot drop containers from the slot machines shall be as follows:
- (a) The slot drop container shall be removed from its compartment. An empty slot drop container, corresponding to the slot machine, shall be placed into the compartment after which the compartment shall be closed and secured; and
  - (b) The slot drop boxes or slot cash storage boxes removed from the slot machines shall be placed immediately in an enclosed trolley which is secured by a locking system. The locking system shall be maintained and controlled by the casino security department.
- (10) For each trolley, the drop team supervisor shall record on a slot drop container verification form, at a minimum, the following:
- (a) The gaming date; and
  - (b) The number of slot drop containers which have been removed from the slot machines and placed into the trolley.
- (11) Prior to the placement of each trolley in the count room, the drop team supervisor shall:
- (a) Count and record the total number of slot drop containers collected and verify that the number collected agrees with the count recorded on the slot drop container verification form. Any discrepancies between the number of collected slot drop containers and the number on the schedule shall be separately recorded on the slot drop container verification form;
  - (b) Secure the slot containers in the trolley utilizing a padlock;
  - (c) Sign the slot drop container verification form attesting to the accuracy of such reconciliation and that the trolley has been secured; and
  - (d) Obtain the signature of a security department member on the slot drop container verification form attesting to the accuracy of such reconciliation and that the trolley has been secured.
- (12) All slot drop containers removed from the slot machines and the slot drop container verification forms shall be transported directly to, and secured in the count room by a casino security department member and a member of the accounting department. A gaming licensee may, temporarily, store trollies in a secure staging area outside of the count room before being transferred to the count room as approved by the IEB. The security measures shall require that the staging area be recorded by the surveillance department and guarded by at least one casino security department representative whenever slot drop containers are temporarily stored in the area.

- (13) A slot cash storage box removed from a bill changer in order to service the bill changer may be temporarily and securely stored in the locked base of the corresponding slot machine (the compartment authorized to contain the slot drop bucket or slot drop box) and shall be replaced and secured in the bill changer when the repairs are completed. At no time shall the bill changer under repair be left unattended while the slot cash storage box is secured in the base of the slot machine. If the repairs cannot be completed and the slot cash storage box cannot be replaced in the bill changer, or if the bill changer must be removed from the gaming area, the slot cash storage box shall be removed from the secure slot compartment and transported to the count room in accordance with 205 CMR (n).
- (14) A full or inoperable slot drop box or slot cash storage box that must be replaced outside of the slot drop schedule shall be replaced with an empty emergency slot drop box or slot cash storage box by a security department member and a slot or cage supervisor as follows:
- (a) A security department member shall notify the surveillance department which shall monitor and record the transaction. If more than one slot drop box or slot cash storage box is being removed, such notification shall include the sequence in which the boxes will be removed and replaced;
  - (b) The security department member shall complete a three-part emergency box form documenting the replacement of the slot drop box or slot cash storage box. The form shall include at a minimum:
    - (1) The date and time;
    - (2) The asset and location number;
    - (3) The reason for the removal; and
    - (4) The signatures of the security department member and slot or cage supervisor participating in the process;
  - (c) The casino security department member shall sign out the keys to the count room and emergency box cabinet or trolley and the bill changer compartment. The keys shall be maintained and controlled by the casino security department. Access to these keys shall be limited to casino security supervisors and shall be controlled, at a minimum, by a sign-out and sign-in procedure described in the internal control system;
  - (d) The casino security department member and a slot or cage supervisor shall obtain the emergency box from the count room;
  - (e) The emergency box form shall be distributed by the security department member as follows:
    - (1) The original affixed to the emergency slot drop box or slot cash storage box;
    - (2) The duplicate placed in a locked accounting box; and
    - (3) The triplicate delivered within 24 hours of preparation to the IEB's onsite office;

- (f) A slot department member, in the presence of a casino security department member and the slot or cage supervisor, shall remove the full or inoperable slot drop box or slot cash storage box from the slot machine and replace it with the empty emergency slot drop box or slot cash storage box;
  - (g) The slot drop box or slot cash storage box removed from the slot machine shall be transported by the casino security department member and slot or cage supervisor to the count room and secured in an emergency drop box cabinet or trolley;
  - (h) For each full or inoperable slot drop box or slot cash storage box exchanged, the casino security department member or slot or cage supervisor shall record on an emergency box log, to be maintained with the emergency drop box cabinet or trolley, the following:
    - (1) The date and time the slot drop box or slot cash storage box was secured in the cabinet or trolley;
    - (2) The slot drop box or slot cash storage box location and asset number; and
    - (3) The signatures of the casino security department member and cage or slot supervisor participating in the emergency slot drop box or slot cash storage box process; and
  - (i) The keys shall be returned and signed in by a casino security department supervisor.
- (15) Whenever currency, a gaming voucher, or a coupon is found inside a bill changer but outside of the slot cash storage box ("unsecured drop") during the collection of slot cash storage boxes, a count team member and a member of the casino security department shall complete and sign a two-part form which includes the asset number in which the unsecured drop was found, the date the unsecured drop was found, and the total value of the unsecured drop. The unsecured drop and the original form shall be transported to the count room and counted and recorded with the contents removed from the corresponding slot cash storage box. The duplicate of the form shall be placed in a locked accounting box. Upon completion of the count, the original form shall be placed in a locked accounting box located in the count room. The accounting department will retrieve the original form and reconcile it to the duplicate.
- (16) Whenever unsecured drop is found at times other than the collection of slot cash storage boxes, a slot department member shall notify surveillance and complete and sign the form referenced in 205 CMR (o). The unsecured drop and the original form shall be transported by the slot department member, escorted by a security department member, to the cashiers' cage where a cashier shall sign the form. The unsecured drop and original shall be retained by the cashier, and the slot department member shall place the duplicate form in a locked accounting box. The accounting department shall reconcile the original form to the duplicate.

- (17) Upon receipt of an unsecured gaming voucher or coupon, the cage cashier in the presence of the slot department member shall deface the gaming voucher or coupon, to the extent necessary, so as to prevent subsequent redemption.
- (18) At the end of the gaming day, at a minimum, the original unsecured drop forms and as applicable, gaming vouchers and coupons, shall be forwarded to the accounting department. The accounting department shall reconcile the original and duplicate forms and record the appropriate amount on the Slot Win Report.
- (19) In conjunction with the removal of any slot drop container, a gaming licensee shall manually read, or cause an approved slot monitoring system to record, the in-meter, drop meter, out-meter, attendant paid jackpots meter, attendant paid cancelled credits meter, bill meters and handle pull meter. In addition, the following meters shall be read and recorded:
  - (a) If the slot machine accepts gaming vouchers, the numerical and value cashable gaming voucher meters, and the numerical and value non-cashable gaming voucher meters;
  - (b) If the slot machine accepts coupons enrolled in the gaming voucher system, the numerical and value cashable coupon meters and numerical and value non-cashable coupon meters;
  - (c) If the slot machine accepts promotional credits, the electronic cashable credit meter and the electronic non-cashable credit meter; and
  - (d) If the slot machine accepts funds from an account based wagering system, the wagering account transfer-in meter and the wagering account transfer out meter.
- (20) The slot monitoring system shall provide a report to the accounting department for a comparison of the meter readings to the count room reports and the calculation of each slot machine's payout percentage. Only members of the accounting department shall have the authority to adjust meter readings subsequent to the count.
- (21) Nothing in 205 CMR 138.00 or a gaming licensee's internal controls shall preclude the IEB from requiring a gaming licensee to read slot machine meter manually as a condition of a prototype approval, as a remedial measure in the event of a malfunction, or as it may otherwise deem necessary to ensure the integrity of gaming and the accurate reporting of gross revenue.

138.34: Procedures for acceptance of tips or gratuities from patrons

- (1) In accordance with M.G.L. c.23K, §25(g), no key gaming employee or any other gaming employee who serves in a supervisory position shall solicit or accept a tip or gratuity from a player or patron in the gaming establishment where the employee is employed.
- (2) In accordance with M.G.L. c.23K, §25(g), a dealer may accept tips or gratuities from a patron at the table game where such dealer is conducting play provided, however, that such tips or gratuities shall be placed in a pool for distribution among other dealers. A system of

internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures governing the manner in which tips and gratuities shall be set aside for the dealer pool as well as the manner of distribution among dealers, which shall, at a minimum, incorporate the following principles:

- (a) At their election, the dealers shall be responsible for the collection, counting, and distribution of the tips and gratuities;
  - (b) The gaming licensee shall cooperate in the collection, counting, and distribution process undertaken by the dealers, and shall provide surveillance, cashier, payroll and other systems necessary for the administration and security of the process;
  - (c) Tips shall be calculated on a weekly basis unless the dealers specifically elect to calculate the tips on a daily basis; and
  - (d) The policies and procedures shall be subject to approval by the dealers in a manner provided by the dealers.
- (3) The policies and procedures required in accordance with 205 CMR 138.18(2) shall, at a minimum, include:
- (a) The method utilized by a dealer for acceptance of the tip or gratuity;
  - (b) The physical characteristics of the transparent locked box utilized for purposes of depositing such tips or gratuities;
  - (c) The method for ensuring that any non-value chips received as a tip at any table game authorized by the commission to utilize non-value chips for play, is expeditiously converted into value chips and deposited in a the locked box reserved for that purpose; and
  - (d) The method of collecting, accounting for and placing such tips and gratuities in a common pool for distribution pro-rata among all dealers in accordance with standards established by the commission.
- (4) If a gaming licensee offers the game of poker the policies and procedures required in accordance with 205 CMR 138.X(2) may provide for a separate common pool for tips and gratuities received by poker dealers to be established. A gaming licensee may also designate a percentage of the prize pool or other such amounts as designated in a poker tournament submission, as approved by the commission, to be withheld for distribution to the tournament dealers on a pro-rata basis.
- (5) A tip or gratuity may be provided electronically to a dealer upon initiation and authorization by a patron. A gaming licensee shall include in its internal controls the method utilized for the distribution of electronic tips or gratuities and ensure that a report listing all electronic tips shall be available from the system where the transaction occurred.

138.35: Table inventory; table inventory container; chip reserve compartment

RESERVED

138.36: Procedures for counting table inventory, opening tables for gaming, shift changes at gaming tables, and closing gaming tables

RESERVED

138.37: Procedure for distributing and removing gaming chips, coins and plaques to gaming tables

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative to distributing and removing gaming chips, coins, and plaques to gaming tables that include, at a minimum, the provisions contained in 205 CMR 138.x.

- (1) A Request for Fill ("Request") shall be prepared by a gaming supervisor, or a gaming clerk, to authorize the preparation of a Fill Slip ("Fill") for the distribution of gaming chips, coins and plaques to gaming tables. The Request shall be a two-part form, at a minimum, and access to the Request shall, prior to use, be restricted to gaming supervisors and gaming clerks.
- (2) On the original and duplicate Request, the following information, at a minimum, shall be recorded:
  - (a) The date and time, or shift of preparation;
  - (b) The denomination of gaming chips, coins and plaques to be distributed to the gaming tables;
  - (c) The total amount of each denomination of gaming chips, coins and plaques to be distributed to the gaming table;
  - (d) The game and table number to which the gaming chips, coins and plaques are to be distributed; and
  - (e) The signature of the gaming supervisor.
- (3) After preparation of the Request, the original copy of such Request shall be transported directly to the cashiers' cage.
- (4) The duplicate copy of the Request shall be placed by the dealer or boxman in public view on the gaming table to which the gaming chips, coins and plaques are to be received. Such duplicate Request shall not be removed until the chips, coins and plaques are received at which time the Request and Fill are deposited in the drop box.
- (5) If Fills are computer prepared and the input data required for preparation of a Fill is entered by, and ability to input is restricted to a casino supervisor and a casino clerk, and the printing of the Fill, which shall be in the cashiers' cage, is a direct result of such input, 205 CMR (a), (b), (c), and (d) may be disregarded.
- (6) A Fill shall be prepared by a chip bank cashier or, if computer prepared, by a chip bank



cashier, a gaming supervisor, or a gaming clerk whenever gaming chips, coins and plaques are distributed to the gaming tables from the cashiers' cage.

- (7) Fills shall be serially pre-numbered forms, each series of Fills shall be used in sequential order, and the series numbers of all Fills received by a gaming establishment shall be accounted for by employees with no incompatible functions. All original and duplicate void Fills shall be marked "VOID" and shall require the signature of the preparer.
- (8) For gaming establishments in which Fills are manually prepared, the following procedures and requirements shall be observed:
  - (a) Each series of Fills shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser.
  - (b) Access to the triplicates shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Fills, placing Fills in the dispensers, and removing from the dispensers, each, the triplicates remaining therein. These employees shall have no incompatible functions.
- (9) For establishments in which Fills are computer-prepared each series of Fills shall be a two-part form, at a minimum, and shall be inserted in a printer that will: simultaneously print an original and a duplicate and store, in machine-readable form, all information printed on the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Fill.
- (10) On original, duplicate, and triplicate copies of the Fill, or in stored data, the preparer shall record, at a minimum, the following information:
  - (a) The denomination of the gaming chips, coins and plaques being distributed;
  - (b) The total amount of each denomination of gaming chips, coins and plaques being distributed;
  - (c) The total amount of all denominations of gaming chips, coins and plaques being distributed;
  - (d) The game and table number to which the gaming chips, coins and plaques are being distributed;
  - (e) The date and shift during which the distribution of gaming chips, coins and plaques occurs; and
  - (f) The signature of the preparer or, if computer prepared, the identification code of the preparer.
  - (g) The time of preparation of the Fill shall be recorded at a minimum, on the original and duplicate upon preparation.
  - (h) All gaming chips, coins and plaques distributed to the gaming tables from the cashiers' cage shall be transported to the gaming tables from the cashiers' cage by a security department member who shall agree the Request to the Fill and sign the original copy of the Request, maintained at the cashiers' cage, before transporting the gaming chips, coins and plaques and the original and duplicate copies of the Fill for signature.

- (i) Signatures attesting to the accuracy of the information contained on the Fills shall be, at a minimum,

138.38: Procedures for acceptance, accounting for, withdrawal and refund of patron deposits

RESERVED

138.39: Procedures for accepting, verifying and accounting for wire transfers and electronic fund transfers; wire transfer and electronic fund transfer fees; Procedures for sending funds by wire transfer or electric fund transfer

RESERVED

138.40: Procedure for acceptance of checks, cash equivalents and credit/debit cards; issuance of counter checks or slot counter checks

RESERVED

138.41: Redemption, substitution, and consolidation of counter checks or slot counter checks at the cashier's cage; redemption of counter checks at a gaming table

RESERVED

138.42: Acceptance of payments toward outstanding patron checks

RESERVED

138.43: Procedures for establishing patron credit accounts, and recording checks exchanged, redeemed or consolidated

RESERVED

138.44: Patron request for suspension of credit privileges

RESERVED

138.45: Procedure for depositing checks received from gaming patrons

RESERVED

138.46: Procedure for collecting and recording checks returned to the gaming establishment  
after deposit

RESERVED

138.47: Automatic Teller Machines (ATM)

RESERVED

138.48: Procedure for opening, counting and recording contents of table drop boxes and slot cash  
storage boxes

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative to opening, counting, and recording contents of table drop boxes and slot cash storage boxes that include, at a minimum, the provisions contained in 205 CMR 138.x.

- (1) Immediately prior to the commencement of the count process, a count room supervisor shall:
  - (a) Obtain a preliminary master game report which shall list forms and documents related to the table drop box count that were entered into the computer system at the time of preparation;
  - (b) Sign out the following keys:
    - (1) Trolley or cabinet keys from a security supervisor for the purpose of gaining access to the drop boxes; and
    - (2) Key(s) securing the contents of the table drop boxes and/or slot cash storage boxes ("boxes") and the tether padlock key from the casino accounting department;
  - (c) Reconcile the number of boxes recorded on the drop box verification form to the number of boxes secured in the trolley;
  - (d) Remove the emergency drop box log and reconcile the log to the boxes removed from the emergency drop box cabinet or trolley; and
  - (e) Document any unresolved discrepancies on a two-part Drop Variance Report, the original of which shall be delivered to the Division and the duplicate placed in the locked accounting box.

(2) A gaming licensee shall open, count and record the contents of each drop box in the soft count room except that an emergency slot cash storage box may be held and counted on the regularly scheduled count for the slot machine from which it originated. For currency, gaming vouchers, and coupons, a gaming licensee shall perform a second count to obtain the aggregate total of each denomination of currency and coupon, and the total number of gaming vouchers counted. The counts shall be independent of each other and access to the result of the first count shall not be available to the employee performing the second count until completion of the second count. At the completion of the second count, a comparison of the two counts shall be made and any discrepancies resolved by the count team supervisor.

(3) A gaming licensee shall use a counting machine, to be identified in the internal controls, to count currency, gaming vouchers, and coupons. An alternative procedure shall be provided in the event that a counting machine cannot be used due to mechanical failure or other emergent situation.

(a) A gaming licensee may use one counting machine that automatically provides the counts required in 205 CMR (b) of the items at different stages of the counting process. If the counts are not in agreement, the machine shall document the discrepancy and cease operation until the discrepancy is resolved by a count team member.

(b) If a gaming licensee does not use a counting machine described in 205 CMR(c)1, two different counting machines shall be used. Upon completion of the count using the first machine, the cash storage bins or cassettes shall be emptied and displayed to the full view of a closed circuit television camera to assure that the contents have been emptied. The second machine count shall be performed to verify the totals of the first machine. If the counts are not in agreement, the count team shall resolve the discrepancy before continuing the second count.

(c) Each machine shall generate a report at the completion of its count documenting the following:

(1) The total of each denomination of currency;

(2) The total of all currency;

(3) The total number of gaming vouchers;

(4) The total number and amount of coupons for which the count machine can determine the value of the coupon ("machine count coupons"); and

(5) The total number of coupons for which the count machine cannot determine the value of the coupon ("manual count coupons").

(4) A test count shall be conducted prior to the start of the first use of each counting machine, each gaming day, and prior to each count. The count room supervisor shall:

(a) Verify that the counting machine has a zero balance on its display and cause a receipt to be printed which denotes 0 cash, gaming vouchers or coupons on hand, and 0 notes, gaming vouchers or coupons in the machine, or other approved means to indicate that the machine has been cleared of all currency, gaming vouchers and coupons;

(b) Visually check the counting machine to be sure there are no bills, gaming vouchers or coupons remaining in the various compartments of the machine;

(c) Supervise a count team member who shall select a drop box or slot cash storage box. If slot storage boxes are being counted that day, a slot cash storage box must be selected and it must contain currency, and if issued by the gaming licensee, gaming vouchers and coupons. The count team member shall place the entire contents of the table drop box or slot cash storage box into the first counting machine, which shall count the currency by denomination as well as any gaming vouchers and coupons. Any soiled or off-sorted bills, gaming vouchers or coupons shall be re-fed into the machine. Any items which the counting machine is not able to count automatically, such as coins, tokens, gaming chips or mutilated or torn currency, gaming vouchers, and coupons shall be manually counted, recorded either manually or entered into the counting machine, and segregated from items which the counting machine was able to count automatically. The count team member shall cause the counting machine, in conjunction with the gaming voucher system, to produce one or more test receipts of the count, and the count shall not be shown to anyone until completion of the final verification process;

(d) Supervise a second count team member, independent of the team member performing the initial count, who shall manually count or use a second counting machine to count and summarize the items on test receipts;

(e) Compare the totals on the test receipts for agreement. If the totals are in agreement, the count room supervisor shall sign and date the test receipts and place them in the locked accounting box to be forwarded to the casino accounting department at the end of the count process. If the totals do not agree, the test count procedures shall be repeated. The test count procedures shall be repeated until the totals are in agreement or a determination is made that the count machine cannot be used. The count room supervisor shall not permit a counting machine to be used until these totals are in agreement;

(f) Supervise a count team member who, at the conclusion of the test procedure shall display the cash bin or storage cassettes to the full view of a closed circuit television camera to assure that the contents have been emptied prior to replacing cassettes into the counting machine; and

(g) Verify that the counting machine has a zero balance in accordance with 205 CMR(d)1.

(5) Procedures for the count of boxes shall be as follows:

(a) The contents shall be segregated and counted so as to permit the contents to be recorded for the box from which it was removed. Each box shall be individually:

(1) placed on the count table at which time one count team member shall verbalize, in a tone of voice to be heard by all persons present and to be recorded by the surveillance audio recording device, the game and table number marked thereon for table drop boxes, or the asset or unique identification number marked thereon for slot cash storage boxes; and

(2) unlocked and the contents emptied on the count table. The inside of the box shall be held up to the full view of a closed circuit television camera to assure all contents of the drop box or slot cash storage box have been removed, after which the drop box or slot cash storage box shall be locked and placed in the storage area for drop boxes and slot cash storage boxes;

(b) A count team member shall segregate:

- (1) Currency, machine count coupons and gaming vouchers;
- (2) Coin, tokens, gaming chips, manual count coupons and any mutilated or torn items;  
And
- (3) Forms and documents;

(c) A count team member shall attempt to match pieces of mutilated or torn items which shall be processed as follows:

(1) Mutilated or torn currency shall be recorded as revenue if the bill includes one entire serial number and one letter and number of the serial number from the other half of the bill;

(2) Mutilated or torn currency that is not recorded as revenue shall be placed in a sealed transparent envelope or container and transferred to the main bank by the main bank cashier or cage supervisor at the end of the count; and

(3) All mutilated or torn coupons and gaming vouchers shall be recorded as revenue regardless of condition;

(d) The value and number of coin, tokens, gaming chips, manual count coupons (by denomination) and any mutilated or torn items shall be manually entered into the counting machine for each drop box or slot cash storage box;

(e) Currency, machine count coupons and gaming vouchers shall be placed in a counting machine. The counting machine shall count and calculate the value of the currency. The value of each gaming voucher or coupon shall be obtained from the counting machine or an approved gaming voucher system, as applicable;

(f) Upon completion of the machine count:

(1) For each drop box, the counting machine shall generate the report required by 205 CMR(c)3;

(2) The currency, table game coupons, coin, tokens, and gaming chips counted shall be placed on the banking table; and

(3) Any drop box coupon which has not already been cancelled upon acceptance or during the count shall be cancelled prior to the conclusion of the count;

(g) The forms and documents shall be compared to the preliminary master game report for accuracy by a count team member who shall not simultaneously have access to currency. Any discrepancies shall be recorded on the preliminary master game report to be resolved by the casino accounting department. The forms and documents and preliminary master game report shall be placed in the locked accounting box to be forwarded to the accounting department at the end of the count process; and

(h) The count team supervisor shall prepare a detailed written report describing all count room incidents that may have negatively impacted the opening, counting and recording of the

drop boxes (for example, a computer interface problem, dropped basket). The report shall include a description of any corrective action taken and shall be electronically filed with the IEB at the conclusion of the count.

- (6) As the contents of each table drop box are counted, if not already recorded in the computer system used to create the Master Game Report and supporting documentation, a count team member shall manually record or cause a computer system to record, the following information by game and table number:
  - (a) The value of each denomination of currency counted;
  - (b) The value of coin, tokens and/or gaming chips counted;
  - (c) The total value of currency, coin, tokens and gaming chips counted;
  - (d) The value of each denomination and total value of coupons other than match play coupons;
  - (e) The value of each denomination and total value of match play coupons and table game wager coupons;
  - (f) Fifty percent of the total value of match play coupons and table game wager coupons;
  - (g) The amount recorded on each document and the total of all documents evidencing a credit card chip transaction;
  - (h) The amount recorded on each document and the total of all documents evidencing a debit card chip transaction;
  - (i) The amount of the Opener;
  - (j) The amount of the Closer;
  - (k) The serial number and amount of each Counter Check and the total amount of all Counter Checks;
  - (l) The serial number and amount of each Pit Redemption Form and the total of all Pit Redemption Forms;
  - (m) The serial number and amount of each Fill and the total amount of all Fills;
  - (n) The serial number and amount of each Credit and the total amount of all Credits;
  - (o) The amount recorded on each Complimentary Vigorish Form and the total amount of all Complimentary Vigorish Forms;
  - (p) The table game win or loss or, for poker, the poker revenue; and
  - (q) The table game win or loss percentage.
- (7) In addition to the requirements of 205 CMR(f), the Master Game Report shall include:
  - (a) The gaming date of the items recorded;
  - (b) The grand total for items in 205 CMR(f)3 through 17;
  - (c) The total number of drop boxes opened and counted; and
  - (d) The date and time prepared.
- (8) If the gaming licensee offers the game of poker, the count room supervisor shall review the Master Game Report to ensure that negative poker revenue has not been reported for any

poker table. If negative poker revenue has been reported for a poker table, the count room supervisor shall initial the Master Game Report for each such poker table and immediately notify the surveillance department of the poker table(s) and corresponding negative poker revenue reported thereon.

- (9) As the contents of each slot cash storage box are counted, if not already recorded in the computer system used to create the Slot Cash Storage Box Report and supporting documentation, a count team member shall manually record or cause a computer system to record, the following information by asset number:
  - (a) The asset number of the bill changer to which the slot cash storage box contents correspond;
  - (b) The value of each denomination and total value of currency counted;
  - (c) The number and value of each cashable coupon counted, and if a gaming voucher system is used to redeem coupons, the validation number and value of each coupon counted, and total number and value of all cashable coupons;
  - (d) The number and value of each non-cashable coupon counted, and if a gaming voucher system is used to redeem such coupons, the validation number and value of each coupon counted, and total number and value of all non-cashable coupons;
  - (e) A listing of the validation number and value of each gaming voucher counted, and total number and value of all gaming vouchers; and
  - (f) Any additional information on the Slot Cash Storage Box Report as may be required by the IEB.
- (10) In addition to the requirements of 205 CMR(i), the Slot Cash Storage Box Report shall include:
  - (a) The gaming date of the items recorded;
  - (b) The grand total for items in 205 CMR(i)2 through 5;
  - (c) The total number of drop boxes opened and counted;
  - (d) The date and time prepared.
- (11) After preparation of the Master Game Report or the Slot Cash Storage Box Report, the count room supervisor shall compare the total number of boxes counted to the number of boxes, including any emergency boxes, collected and recorded on the box reconciliation form. Any unresolved discrepancy shall be documented on the Drop Variance Report which shall be filed with the Division.
- (12) All suspected counterfeit currency shall be counted and recorded as drop on the Master Game Report or Slot Cash Storage Box Report. The counterfeit currency shall be segregated from all other currency and placed in a transparent container. A count room supervisor shall complete a Department of Treasury Counterfeit Note Report and place the container and report on the banking table.



- (13) A count team member designated as the banker shall count each denomination of currency, table game coupons, tokens, and gaming chips, and verbalize the amounts. The count room supervisor shall verify the amount verbalized to the amount recorded on the Master Game Report or Slot Cash Storage Box Report. The banker and count team supervisor shall sign the report(s) attesting to the accuracy of the information recorded thereon. The information recorded thereon shall not be accessible to any person outside the count room until after the main bank cashier or cage supervisor ("cashier") has verified and accepted the drop unless otherwise authorized by the IEB.
- (14) All other count team members shall sign the Master Game Report and/or the Slot Cash Storage Box Report as evidence of their participation in the counting of the drop boxes and/or slot cash storage boxes.
- (15) After the contents of the boxes have been counted and recorded on the Master Game Report and/or Slot Cash Storage Box Report, the count room supervisor shall notify the main cage. A cashier shall enter the count room and not have any access to the information recorded on the Master Game Report or the Slot Cash Storage Box Report. The cashier, in the presence of the banker, shall count the currency, table game coupons, coins, tokens, gaming chips, and mutilated or torn items.
- (a) Currency, table game coupons, coin, tokens, and gaming chips shall be presented in the count room by the banker to a main bank cashier or cage supervisor (cashier). Prior to having access to the information recorded on the Master Game Report or the Slot Cash Storage Box Report, the cashier, in the presence of the banker, shall count the items in accordance with the following requirements:
- (1) The cashier shall have physical access to all items presented for counting and no currency or table game coupons presented for counting shall be wrapped or placed in any sealed bag or container until the entire count has been completed and the Master Game Report or the Slot Cash Storage Box Report has been signed by the cashier;
  - (2) The cashier shall bulk count all strapped currency and table game coupons. The cashier shall count all partial straps, loose currency and table game coupons, mutilated or torn currency and coupons, coin, tokens, and gaming chips either by hand or with an approved counting machine. If a discrepancy in an individual denomination is discovered during the initial count, the cashier shall recount the currency of that denomination either by hand or with an approved counting machine;
  - (3) The cashier shall randomly count the currency within at least 10 percent of the total number of straps. The count shall be by hand or with an approved counting device; and
  - (4) The cashier shall randomly sample the table game coupons for intermixed denominations and proper cancellation.
- (b) If the total currency or total coupons counted by the cashier do not agree with a total on the Master Game Report or Slot Cash Storage Box Report and the discrepancy cannot be resolved, a Drop Variance Report shall be completed by the count room supervisor. The

original shall be delivered to the IEB and the duplicate placed in the locked accounting box in the count room. The report shall include, at a minimum, the following:

- (1) The date of preparation;
- (2) The source of the variance (currency and/or coupon);
- (3) The denomination(s) of the source of the variance;
- (4) The amount of the variance;
- (5) The measures taken to detect the source of the variance;
- (6) The name and signature of the count room supervisor; and
- (7) The name and signature of the cashier.

(c) Upon completion of the cashier's count, the cashier shall attest by signature on the Master Game Report and/or Slot Cash Storage Box Report, that the amount of cash from drop boxes counted, and the amount of coupons from table drop boxes counted as recorded on these documents, and if applicable, the Drop Variance Report, agree with the total amounts of cash and coupons counted by the count team. Upon attestation, all items other than coupons and vouchers shall be under the exclusive control of the cashier and shall not be handled by a count team member.

(16) Once all required signatures have been obtained, a copy of the totals page of the original Master Game Report, Slot Cash Storage Box Report and disc(s) detailing all gaming vouchers and coupons counted, shall be delivered to the IEB. In addition, an electronic copy of the Master Game Report and/or Slot Cash Storage Box Report shall be filed with the IEB within 48 hours of the completion of the drop.

(17) Each copy of an original Master Game Report or Slot Cash Storage Box Report which is not part of a multi-part form shall be stamped with the word "copy" by the count room supervisor prior to its distribution.

(18) Any coupons and gaming vouchers for which the value could not be determined by the count machine or the gaming voucher system shall be segregated and placed in the locked accounting box for review.

(19) The original Master Game Report and Slot Cash Storage Box Report, after signing, and any other supporting documentation shall be placed in the locked accounting box located in the count room. A member of the casino accounting department with no incompatible functions shall retrieve the contents of the locked accounting box and the gaming vouchers and coupons which were processed during the count immediately after the cashier verifies, accepts, and removes the drop from the count room.

(20) For each trolley scheduled for the next drop, the count team supervisor shall determine that the number of empty boxes on the trolley is correct. The count team supervisor shall prepare and sign a drop box verification form as required by these regulations, with the following:

- (a) The trolley number;

- (b) The pit number and number of empty boxes by pit, if applicable;
- (c) The slot zone and number of empty boxes by zone, if applicable; and
- (d) The total boxes in the trolley.

- (21) A count room employee shall conduct a thorough inspection of the entire count room and all counting equipment located therein to verify that no cash, tokens, gaming chips, gaming vouchers, or coupons remain in the room and shall certify the foregoing in a writing which shall be filed with the IEB.
- (22) The keys shall be returned and signed in by the count room supervisor to the security department or the accounting department, as applicable, immediately following the conclusion of the count of the drop boxes or if the count room supervisor leaves the count room during the count process.

138.49: Procedure for opening, counting and recording the contents of bill validator boxes, gaming voucher redemption machines, determination of gross revenue deduction

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative to opening, counting, and recording contents of bill validator boxes, gaming voucher redemption machines, and determination of gross revenue deduction that include, at a minimum, the provisions contained in 205 CMR 138.x.

- (1) At least once every seven days, a gaming licensee shall coordinate the removal of the bill validator boxes from all gaming voucher redemption machines and the insertion of empty, replacement bill validator boxes into the machines (the "bill validator drop").
- (2) Prior to the bill validator drop, a gaming accounting supervisor shall count the number of empty bill validator boxes to be exchanged as part of the bill validator drop and confirm, in writing on a bill validator drop form, that the count equals the number of boxes scheduled to be collected. Prior to the drop, the form shall include at a minimum:
  - (a) The date;
  - (b) The gaming voucher redemption machine number(s) or location(s);
  - (c) The number of boxes to be dropped; and
  - (d) The signature of the accounting supervisor.
- (3) A casino security department member and an accounting department member shall obtain the keys necessary to perform the bill validator drop from their respective departments.
- (4) In the presence of the casino security department member, the accounting department member shall:
  - (a) Place the appropriate number of empty bill validator boxes required for the bill validator drop into a secure cart;

- (b) Transport the cart and the boxes to the casino floor;
- (c) Unlock the cabinet(s) housing the bill validator boxes;
- (d) Exchange the bill validator boxes; and
- (e) Place the boxes removed in the secure cart.

(5) Immediately upon removal of each bill validator box, the gaming voucher redemption machine shall generate a receipt (Bill Validator Receipt) that documents the total value of each item (gaming vouchers, coupons and/or currency) in the bill validator box. Such receipt shall be placed into a locked accounting box by the accounting department member.

(6) Prior to the movement of the collected boxes, the accounting department member shall verify and confirm in writing by signing the bill validator drop form, that the number of boxes being transported from the gaming area equals the number of boxes in 205 CMR(b). Any discrepancies shall be immediately reported to the surveillance department and in writing to the IEB in-house office.

(7) Accompanied by an accounting department member and a casino security department member, the locked cart containing the bill validator boxes shall be transported to:

- (a) The cashiers' cage for counting or a secure area approved by the IEB under the control of the main bank or master coin bank and stored there until counted; or
- (b) The count room for counting only when the count of table game drop boxes or slot machine drop containers is not in progress.

(8) The contents of the bill validator boxes shall be counted as follows:

(a) If the boxes are counted in the cashiers' cage, a main bank or master coin bank cashier shall document their contents, by item and amount, on a two-part Balance Receipt.

(1) The cashier who documents the contents of boxes shall retain the original Balance Receipt as an inventory document until forwarded directly to the casino accounting department with the main bank or master coin bank end-of-day paperwork.

(2) The cashier shall place the duplicate Balance Receipt in a locked accounting box.

(b) If the boxes are counted in the count room, the casino accounting department member(s) performing the count shall document the count for each individual bill validator box on a Balance Receipt. If the counting equipment documents the count of each individual bill validator box, the gaming vouchers, coupons and currency need only be documented for the entire bill validator drop and not for each individual bill validator box. At the completion of the count, a main bank or master coin bank cashier shall verify the contents on the Balance Receipt.

- (1) The accounting department member(s) shall transport the gaming vouchers and coupons directly to the accounting department together with the original Balance Receipt and the supporting documentation for each bill validator box.
- (2) The main bank or master coin bank cashier shall transport the currency directly to the main bank or master coin bank together with the duplicate Balance Receipt.

(9) A gaming licensee shall generate reports necessary to reconcile the funds placed into and dispensed by the gaming voucher redemption machines.

138.50: Temporary amendments for pit and slot zone reconfigurations or reconstitutions

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative the configurations, reconfigurations, or reconstitutions for pit and slot zones that include, at a minimum, the provisions contained in 205 CMR 138.x.

(1) A gaming licensee shall configure the pits and slot zones in its gaming establishment and simulcasting facility, as to types, number and location of games, strictly in accordance with the floor plans included in its internal controls pursuant to 205 CMR xx.

(2) A gaming licensee may temporarily reconfigure one or more pits or slot zones by filing a notice with the commission at the IEB office in the gaming establishment, to temporarily reconfigure for each pit or slot zone specified in the notice, which shall be filed at least three business days prior to implementing such alternate configuration. In addition, pursuant to the above notice procedure, a gaming licensee may also temporarily reconstitute one or more pits as a slot zone(s) or one or more slot zones or a portion thereof as a pit. Within that three-day period, the commission shall notify the gaming licensee whether the reconfiguration or reconstitution is rejected.

(3) In accordance with the specific terms of the notice, the gaming licensee shall implement the reconfiguration or reconstitution for a period of no more than 120 consecutive days.

Notwithstanding the foregoing, the commission may approve the implementation of a reconfiguration of a pit in conjunction with the test of a new table game or table game wager pursuant to these regulations for a period up to 270 days from the day such test commences.

Each such reconfigured pit shall not:

- (a) Exceed the dimensions approved for the pit that existed immediately prior to the reconfiguration; nor
- (b) Include any change requiring the approval of a building official without having first obtained that approval and the approval of the commission.

(4) A gaming licensee shall obtain prior approval for any changes, other than those permitted by 205 CMR, to the configuration of the pits or slot zones in its gaming establishment and

simulcasting facility.

(5) Each pit operating under an approved configuration shall have an electrical system, approved by the commission, which enables a pit clerk or a pit supervisor to transmit a signal that is audibly and visually reproduced in each of the following locations whenever there is an emergency in the pit:

- (a) The surveillance monitoring rooms; and
- (b) The casino security department.

### *Slot Machines/Progressive Table Games*

#### 138.51: Accounting controls for gaming voucher redemption machines

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a detailed description of its policies and procedures governing the reconciliation of the contents of its gaming voucher redemption machines, which, at a minimum, shall address:

- (1) The procedures and forms, along with a description of the employees who must sign the form, used by the cage to record currency cassette/coin hopper cash fills for the gaming voucher redemption machines;
- (2) The procedures and forms used, along with a description of the employees who must sign the form, for issuance of such cash fills and the department which will be responsible for performing the cash fills;
- (3) The procedures followed by the employee performing the fill with respect to signing out the keys to unlock the cabinets of the automated gaming voucher machines;
- (4) The procedures utilized for removing and replacing currency cassettes, currency cassette reject bins, coin hoppers/coin hopper fills and the information to be recorded on the receipts generated by the machines to record the fill and any forms used, along with a description of the employees who must sign the form, with respect to completion of the fill;
- (5) The procedures followed by the cage for counting and recording the value of the remaining contents of the returned currency cassettes, currency cassette reject bins, coin hoppers or any returned coin from the machines and any forms used, along with a description of the employees who must sign the form with respect to recording the inventory balance;
- (6) A description of which of the forms utilized in these procedures will be forwarded to the accounting department at the end of each gaming day;
- (7) The procedure utilized by the cage to obtain an inventory report from each gaming voucher redemption machine to determine the starting inventory amount for the machine and the information recorded on the inventory report;
- (8) The procedures followed by the accounting department for reconciliation of the change in the contents of the gaming voucher machines, including the generation of a report from each

gaming voucher redemption machine that documents each transaction conducted at the machine to confirm that it agrees with the forms completed and receipts generated with respect to the fills and count recorded as to the value of the remaining contents of the machines;

- (9) The frequency in which the contents of all currency cassettes and coin hoppers shall be counted and the method for recording the reconciliation of cash contained therein and the method of recording such reconciliation and reporting any variances to the commission; and
- (10) Procedures to ensure that a record of the number of gaming voucher redemption machines in service at any time, and the frequency in which the contents thereof shall be emptied and reconciled, is provided to the commission.

138.52: Slot Machines and bill changers; coin and token containers; slot cash storage boxes;

entry authorization logs

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures relative to slot machines and bill changers that include, at a minimum, the provisions contained in 205 CMR 138.x.

- (1) Each slot machine which accepts coin or tokens shall have:
  - (a) A container, to be known as a payout reserve container ("hopper"), in which coins or slot tokens are retained by the slot machine to automatically dispense coins or slot tokens to pay jackpots or credits remaining on a slot machine, or to automatically replenish another hopper in the slot machine with coins or slot tokens. The slot machine shall be designed to divert accepted coins or slot tokens that exceed the amount of the initial hopper fill from the hopper to the slot drop bucket or, if applicable, the slot drop box;
  - (b) A container, known as a slot drop bucket or slot drop box, to collect coins or slot tokens that are retained by the slot machine and are not used to make change or automatic jackpot payouts. Each slot drop bucket or slot drop box shall be identified by a number which corresponds to the asset number of the slot machine, and which is permanently imprinted on or affixed to the outside of the slot drop bucket or slot drop box in numerals. The number shall be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the gaming licensee's CCTV system. In addition to bearing an asset number, each slot drop bucket or slot drop box may also be identified by a bar code label that is securely affixed thereto. Each bar code label affixed to a slot drop bucket or slot drop box shall:
    - (1) Be encoded, at a minimum, with the asset number of the slot machine in which the slot drop bucket or slot drop box is housed; and
    - (2) Require the completion of a Bar Code Label Request Form that is signed by the requester and the preparer; provided, however, that a bar code label prepared by a member of the count team shall be tested and verified by a count room supervisor or

representative of the accounting department other than a member of the count team, prior to the label being attached to the slot drop bucket or slot drop box; and

- (c) On those slot machines which include a bill changer, a secure, tamper-resistant container known as a slot cash storage box, in which shall be deposited all currency, gaming vouchers and coupons inserted into the bill changer. If the slot machine does not contain a hopper, the slot cash storage box shall be accessible only by a dedicated bill changer drop door that can be opened without opening the slot machine's main door or any other compartment of the slot machine.
- (2) A slot drop bucket shall be housed in a secure compartment separate from any other compartment of the slot machine. Access to the compartment shall be by two keys, both of which are different from each other and different from the keys utilized to secure all other compartments of the slot machine. One key shall be maintained and controlled by the casino security department and the other key shall be maintained by the accounting department in a secure area within that department. Access to the key may be gained only by a supervisor of the department and shall require the use of a sign-in and sign-out procedure.
- (3) Any slot machine equipped to accept slot tokens in denominations of \$ 25.00 or more shall utilize a slot drop box, rather than a slot drop bucket.
- (4) A slot drop box shall have:
  - (a) A slotted opening through which coins and slot tokens can be deposited;
  - (b) A device that will automatically close and lock the slotted opening upon removal of the slot drop box from the slot machine; and
  - (c) A key securing the contents of the slot drop box which is different from the keys utilized to secure all other compartments of the slot machine. The key shall be maintained and controlled by the accounting department in a secure area within that department. Access to the key may be gained only by a supervisor in that department and shall require the use of a sign-in and sign-out procedure.
- (5) A slot drop box shall be housed in a locked compartment separate from any other compartment of the slot machine. The compartment in which the slot drop box is located shall be secured by a key, which shall be different from the key securing the contents of the slot drop box and any other compartment of the slot machine. The compartment key shall be maintained and controlled by the casino security department in a secure area within that department. Access to the key may be gained only by a supervisor in that department and shall require the use of a sign-in and sign-out procedure.
- (6) Each slot cash storage box shall:
  - (a) Have a key securing the contents of the slot cash storage box which is different from the keys utilized to secure all other compartments of the slot machine. The key shall be maintained and controlled by the accounting department in a secure area within that department. Access to the key may be gained only by a supervisor in that department and shall require the use of a sign-in and sign-out procedure;
  - (b) Have a slot opening through which currency, gaming vouchers and coupons can be inserted into the slot cash storage box;



- (c) Have a mechanical arrangement or device that prohibits removal of currency, gaming vouchers and coupons from the slot opening whenever the slot cash storage box is removed from the bill changer;
  - (d) Be fully enclosed, except for such openings as may be required for the operation of the bill changer or the slot cash storage box; provided, however, that the location and size of such openings shall not affect the security of the slot cash storage box, its contents or the bill changer; and
  - (e) Have an asset number that is permanently imprinted, affixed or impressed on the outside of the slot cash storage box which corresponds to the asset number of the slot machine to which the bill changer has been attached. In lieu of the asset number, a gaming licensee may develop and maintain a system for assigning a unique identification number to its slot cash storage boxes. The asset number or unique identification number must be conspicuous and clearly visible to persons involved in removing or replacing the slot cash storage box in the bill changer and through the gaming licensee's CCTV system. In addition to bearing an asset number or unique identification number, each slot cash storage box may also be identified by a bar code label that is securely affixed thereto. Each bar code label affixed to a slot cash storage box shall be:
    - (1) Encoded, at a minimum, with the asset number of the slot machine in which the slot cash storage box is housed; and
    - (2) Prepared in accordance with a casino licensee's internal controls, which controls shall require, without limitation, the completion of a Bar Code Label Request Form that is signed by the requester and the preparer; provided, however, that a bar code label prepared by a member of the count team shall be tested and verified by a count room supervisor or representative of the accounting department other than a member of the count team, prior to the label being attached to the slot cash storage box.
- (7) The area in which the slot cash storage box is located shall be secured by a key and separate from and accessible independently of any other compartment of the slot machine, the slot drop bucket or the slot drop box. The key to the lock securing the area where the slot cash storage box is located shall be different from the key securing the contents of the slot cash storage box. The compartment key shall be maintained and controlled by the casino security department or the slot department in a secure area within that department. Access to the key may be gained only by a supervisor in that department; provided, however, if the slot department controls the key, the slot department supervisor may issue the key to a casino security department supervisor, who may give it to appropriate casino security department personnel only for the purpose of participating in the transportation of slot cash storage boxes. Access to the key shall require the use of a sign-in and sign-out procedure.
- (8) Except as otherwise provided, keys to each slot machine, or any device connected thereto which may affect the operation of the slot machine, including, without limitation, keys that activate a jackpot-to-credit-meter switch, shall be maintained in a secure place and controlled

by the slot department. Access to the keys shall require the use of a sign-in and sign-out procedure.

- (9) Any key removed from a department's secure area pursuant to 205 CMR (b), (d), (e), (f), or (g), shall be returned no later than the end of the shift of the department member to whom the key was issued, and the department shall establish a sign-out and sign-in procedure for all such keys removed.
- (10) The following entry authorization logs shall be maintained by the gaming licensee unless the information is recorded electronically:
  - (a) Whenever a slot machine, or any device connected thereto which may affect the operation of the slot machine, is opened, with the exception of a bill changer, certain information shall be recorded on a "Machine Entry Authorization Log." The information shall include, at a minimum, the date, time, purpose of opening the machine or device, and the signature of the authorized employee opening the machine or device. The Machine Entry Authorization Log shall be maintained in the slot machine and shall have recorded thereon a sequential number and a manufacturer's serial number or the asset number of that slot machine;
  - (b) Whenever a progressive controller not housed within the cabinet of a slot machine is opened, the information specified in 205 CMR (j)1 shall be recorded on a "Progressive Entry Authorization Log." The Progressive Entry Authorization Log shall be maintained in the progressive unit and shall have recorded thereon a sequential number and serial number of the progressive controller;
  - (c) With the exception of the transportation of slot cash storage boxes, whenever a bill changer, other than a separate slot cash storage box compartment, is opened, certain information shall be recorded on a "Bill Changer Log." The information shall include, at a minimum, the date, time, purpose of opening the bill changer, and the signature of the authorized employee opening the bill changer. The Bill Changer Log shall be maintained in the bill changer and shall have recorded thereon a sequential number and the serial number or asset number of the bill changer. If the bill changer is contained completely within the cabinet of a slot machine and there is no separate access to the bill changer unit, the information may be recorded on the Machine Entry Authorization Log required by 205 CMR (j)1, provided that any information that concerns the opening of the bill changer may be distinguished from any information that concerns the opening of the slot machine or any other device connected thereto; and
  - (d) Whenever a printer for an approved gaming voucher system is accessed, the date, time, purpose of such access, and the signature of the authorized employee shall be recorded in the log required by either 205 CMR (j)1 or 3, or a separate log.

#### 138.53: Progressive slot machines

If a gaming licensee offers one or more progressive jackpots that increase in value as the machine is played based upon a set rate of progression and awarded when a player achieves a specific game outcome, the system of internal controls submitted by a gaming licensee in

accordance with 205 CMR 138.02 shall include policies and protocols as provided by 205 CMR 143.02(2).

138.54: Linked slot machines interconnected in more than one gaming establishment; slot system operator; computer monitor

Prior to participation by a gaming licensee in a multi-casino progressive slot system the gaming license shall submit a system of internal controls in accordance with 205 CMR 138.02 specifying the manner in which the participating gaming licensees and slot system operators will satisfy the provisions of 205 CMR 143.02(3).

138.55: Inspection of slot machine jackpots

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures governing the inspection of slot machines and electronic gaming devices including, at a minimum, the following provisions:

- (1) For all slot machine and other electronic gaming device jackpots over \$75,000 in cash, merchandise, or cash equivalent value, or any jackpot where there is evidence of a malfunction, the gaming licensee shall notify the IEB that a jackpot has been registered and permit the IEB to inspect any slot machine, progressive equipment or related equipment involved in that failure. If the commission objects to the payment of the jackpot prior to the completion of its inspection, it shall not constitute waiver or estoppel of any charge, issue or claim raised in any criminal or regulatory complaint subsequently filed against any person in connection with the winning or payment of that jackpot; and
- (2) Its policies with respect to the payment of jackpots if an inspection is pending, but not yet completed, or an inspection is performed and the results are such that the jackpot may have been the result of an impropriety.

138.56: Attendant paid jackpots and credit meter payouts

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures governing the payment of jackpots and credit meter redemptions if and when the payment is not automatically disbursed from a slot machine or electronic gaming device in the form of a gaming voucher. The policies and procedures shall include the following:

- (1) A listing of the specific forms of cash, cash equivalents, casino chips, coupons, vouchers, casino checks, merchandise, and the like that may be used by a slot attendant to satisfy a jackpot or redeem a patron's credit meter balance. The gaming licensee shall, to the extent applicable, distinguish its procedures for each form of payment and assure, at all times,

compliance with all provisions of 205 CMR 138.00 that address a particular form of payment (for example, merchandise).

- (2) Provisions relative to documenting and assigning accountability over a jackpot payout or credit meter payout by establishing appropriate forms or documents designed to:
  - (a) Request that a payout be made;
  - (b) Record the applicable information pertaining to the payout;
  - (c) Approve the payout;
  - (d) Provide limits to and adequate security over the transportation of funds for payment of jackpots; and
  - (e) Complete the payout, including required signatures thereto from both the employees and supervisors involved in the payout process, and the patron so as to provide an acknowledgment of the payout having been received by the patron.
- (3) Provisions relative to establishing a segregation of duties among and between those employees responsible for requesting, approving, completing, and accounting for jackpot payouts and credit meter payouts.
- (4) Provisions relative to distinguishing those procedures over payouts for which an electronic record is available from payouts that may be initiated, authorized and completed in a fully manual transaction, including procedures in place to subsequently post the manual transaction to the electronic information system.
- (5) Procedures relative to the identification and distinction of payout financial thresholds, above and below which procedures and levels of approval may differ.
- (6) Procedures to assure that all payouts are posted accurately and timely to the licensee's accounting system.
- (7) Procedures to assure that all payouts are reported to the Internal Revenue Service and Department of Revenue in such a manner that complies with the reporting requirements in place at the time of the payout.
- (8) Procedures to assure that, after having completed a jackpot payout or credit meter payout, the applicable slot machine or electronic gaming device is reset to account for the completed payout.

138.57: Alternate procedures for a manual slot jackpot

- (1) A gaming licensee may establish alternate policies, procedures, and internal controls over the payment of jackpots and credit meter redemptions provided in accordance with 205 CMR 138.39 if the payouts are below a certain financial threshold ("lesser payouts") so as to expedite the payout process and minimize the procedural and documentation requirements so long as the licensee maintains an adequate system of internal control over payouts and credit meter redemptions having lesser value.

- (2) If the gaming licensee chooses to establish alternate policies in accordance with 205 CMR 138.40, the system of internal controls submitted in accordance with 205 CMR 138.02 shall include:
- (a) The financial threshold below which slot or electronic gaming device payouts or credit meter redemptions may be subject to these alternate procedures;
  - (b) The specific policies and procedures in place to:
    - (1) Request that a lesser payout be made.
    - (2) Record the pertinent information of the payout.
    - (3) Approve the payout and assign responsibility and accountability over the payout by way of employee and supervisory signature requirements.
    - (4) Process and complete the payout.
    - (5) Assure that all such payouts are reported to an independent department such as accounting for review and, thereafter, posting to the licensee's accounting system; and
  - (c) The differences, with specificity, between these procedures and the procedures in place for jackpots or credit meter redemptions of greater value from that in place for these lesser payouts.

138.58: Alternate forms of jackpot payments

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions governing the offer and payment of different forms of jackpots to include, but not be limited to:

- (1) If the jackpot is in the form of an annuity or other non-cash instrument, the terms and conditions on which that jackpot will be authorized, awarded and accounted for;
- (2) If the jackpot is in the form of merchandise, the terms and conditions on which that jackpot will be authorized, awarded and accounted for; and
- (3) That appropriate tax forms are completed.

138.59: Procedure for filling payout reserve containers of slot machines and hopper storage areas

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures for filling payout reserve containers of slot machines and hopper storage areas including, but not be limited to:

- (1) Each hopper of a slot machine may be filled by a slot attendant, slot mechanic or slot supervisor by requesting coin, slot tokens, or prize tokens that are compatible with the hopper to be filled from a slot cashier, general cashier, or master coin bank cashier or by obtaining coin, slot tokens, or prize tokens that are compatible with the hopper to be filled from its corresponding hopper storage area.
- (2) A slot hopper may be refilled at any time, provided, however, that:

- (a) An entire sealed bag of coin or tokens is used for the hopper fill and placed into the hopper;
  - (b) The hopper cannot be filled beyond its operational capacity; and
  - (c) The hopper cannot be filled beyond its present inventory level.
- (3) The filling of a hopper or a hopper storage area with coin, slot tokens or prize tokens obtained from a slot cashier, general cashier or master coin bank cashier shall be accomplished as follows:
- (a) Whenever a slot supervisor, attendant or mechanic requests coins, slot tokens or prize tokens to fill a hopper or a hopper storage area of a slot machine, he or she shall obtain a completed and signed Hopper Fill Slip ("Hopper Fills") from a slot cashier, general cashier or master coin bank cashier;
  - (b) Hopper Fills shall be serially pre-numbered forms, each series of Hopper Fills shall be used in sequential order, and the series numbers of all Hopper Fills received by a casino licensee shall be accounted for by employees independent of the cashiers' cage and the slot department. All original and duplicate void Hopper Fills shall be marked "VOID" and shall require the signature of the preparer. A gaming licensee may utilize a serially pre-numbered combined Jackpot Payout/Hopper Fill form;
  - (c) For Hopper Fills which are manually prepared, the following procedures and requirements shall be observed:
    - (1) Each series of Hopper Fills shall be a three-part form, at a minimum, and shall either be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser or attached in a manner that will permit each form to be written on simultaneously and will allow for the removal of the original and the duplicate and maintain the triplicates; and
    - (2) Access to the triplicates shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Hopper Fills, placing Hopper Fills in the dispensers, and removing from the dispensers the triplicates remaining therein;
  - (d) For Hopper Fills which are computer prepared, each series of Hopper Fills shall be a two-part form, at a minimum, and shall be inserted in a printer that simultaneously prints an original and duplicate, stores in machine-readable form all information printed on the original and duplicate, and discharges the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Hopper Fill;
  - (e) The Hopper Fill shall include the following information:

- (1) The asset number and denomination of the slot machine to which the coins, slot tokens or prize tokens are to be distributed;
- (2) The date and time during which the coins, slot tokens or prize tokens are distributed;
- (3) The denomination of the coin, slot tokens or prize tokens that are to be distributed;
- (4) The amount of coins, slot tokens or prize tokens that are to be distributed;
- (5) The location from which the coins, slot tokens or prize tokens are distributed;
- (6) The signature and, if computer prepared, the identification code of the preparer;
- (7) The signature or identification code of the slot attendant, slot mechanic or slot supervisor requesting coins, slot tokens or prize tokens to fill the hopper (on the original and the duplicate only);
- (8) Whether the coins, slot tokens or prize tokens are to be placed in the slot machine's:
  - (a) All-purpose hopper and/or any reserve hoppers that automatically replenish the all-purpose hopper;
  - (b) Payout-only hopper and/or any reserve hoppers that automatically replenish the payout-only hopper reserve hopper; or
  - (c) In its corresponding hopper storage area; and
- (9) Whether the Hopper Fill is to be witnessed and verified by a second gaming employee;
- (f) All coins, slot tokens or prize tokens distributed from a slot booth, master coin bank or the cashiers' cage to a slot machine or its corresponding hopper storage area shall, during their transportation to the machine or hopper storage area, remain in pre-wrapped secured bags;
- (g) The coin, slot tokens or prize tokens shall be transported directly to the slot machine or its corresponding hopper storage area, along with the duplicate Hopper Fill. A second gaming employee shall observe the deposit of the coins, slot tokens or prize tokens in the appropriate slot machine hopper or the slot machine's corresponding hopper storage area, and the closing and locking of the slot machine or its corresponding hopper storage area by a slot mechanic, slot attendant or slot supervisor before obtaining the signature of the slot mechanic, slot attendant or slot supervisor on the duplicate copy of the Hopper Fill;
- (h) The surveillance department shall monitor the transportation to and deposit of the fill;
- (i) A slot mechanic who participates in filling a slot machine hopper shall inspect the slot machine and, if the hopper is empty, determine if the empty hopper resulted from a slot machine malfunction. A slot attendant or slot supervisor participating in a hopper fill

- shall review the Machine Entry Authorization Log and alert a slot mechanic to inspect the slot machine if the entries in the log indicate a consistent malfunction problem;
- (j) Signatures attesting to the accuracy of the information contained on the Hopper Fill shall be, at a minimum, the following personnel at the following times:
- (1) The original shall be signed by the slot cashier, master coin bank cashier or general cashier upon preparation of the Hopper Fill and by the gaming employee transporting the coins, slot tokens or prize tokens to the slot machine upon receipt from the cashier of the coins or tokens to be transported; and
  - (2) The duplicate shall be signed by the slot cashier, master coin bank cashier or general cashier upon preparation of the Hopper Fill, by the gaming employee transporting the coins, slot tokens or prize tokens to the slot machine upon receipt from the cashier of the coins or tokens to be transported and by the slot mechanic, slot attendant or slot supervisor after completing the fill procedures in the presence of the gaming employee transporting the fill;
- (k) Upon meeting the signature requirements, the slot cashier, master coin bank cashier or general cashier shall maintain and control the original Hopper Fill and the gaming employee who transported the fill shall deposit the duplicate in a secure, locked box controlled by the accounting department;
- (l) At the end of each gaming day, at a minimum, the original and duplicate Hopper Fill Slip shall be forwarded as follows:
- (1) The original Hopper Fill Slip shall be forwarded, in exchange for coin, currency or credit, to the master coin bank if prepared by a slot cashier or to the main bank if prepared by a general cashier. All original Hopper Fill Slips received or prepared by the master coin bank or received by the main bank shall then be forwarded to the accounting department, which shall confirm that the information on the original Hopper Fill agrees with the information on the triplicate or in stored data; and
  - (2) The duplicate Hopper Fill Slip shall be forwarded directly to the accounting department, which shall record the information from the Hopper Fill Slip on the Slot Win Report, and shall confirm that the information recorded on the Hopper Fill Slip agrees with the information on the triplicates or in stored data; and
- (m) A gaming licensee may use one Hopper Fill Slip to document fills to more than one hopper storage area or to a hopper storage area that supplies more than one slot machine, if:
- (1) All of the fills are for the same denomination of slot machine and are accomplished at the same time; and



- (2) The Hopper Fill Slip contains:
- (a) The amount to be distributed to each hopper storage area or, if applicable, each compartment in a hopper storage area that supplies more than one slot machine;
  - (b) Spaces for gaming employees to initial after each individual fill; and
  - (c) The total amount of all hopper fills that are documented by the Hopper Fill Slip.
- (n) Whenever a slot machine's hopper requires coin, slot tokens, or prize tokens, a slot attendant or mechanic, after confirming that its corresponding hopper storage area contains the necessary coin, slot tokens or prize tokens to replenish the hopper to be filled, may, in the presence of a second gaming employee, transfer the necessary coin, slot tokens or prize tokens from that slot machine's hopper storage area directly to the appropriate hopper of the corresponding slot machine. The second gaming employee shall observe the deposit of the coins, slot tokens or prize tokens in the appropriate slot machine hopper and the closing and locking of the slot machine and its corresponding hopper storage area by the slot mechanic or attendant.
- (o) After transferring the coins, slot tokens or prize tokens to the slot machine's appropriate hopper from a corresponding storage area pursuant to 205 CMR(c) or upon completing a fill pursuant to 205 CMR (b) of a slot machine's hopper, the slot attendant or mechanic shall make the entries required on the slot machine's log, which shall include the following:
- (1) The date and time of the transfer;
  - (2) The type of hopper in the slot machine to which the coins, slot tokens or prize tokens were transferred;
  - (3) The hopper fill slip number, if applicable;
  - (4) The amount(s) of coins, slot tokens or prize tokens that were placed in that hopper; and
  - (5) The name and license number of the slot attendant or slot mechanic who made the transfer or fill.
- (p) A gaming licensee that removes a prize token shall count it, for purposes of calculating its gross revenue as cash received from gaming operations for the face amount of the prize token.

138.60: Procedure governing the removal of coin, slot tokens and slugs from a slot machine

hopper

If a gaming license uses slot machines at the gaming establishment that accept coins, the system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures governing the removal of coin, slot tokens, and slugs from a slot machine hopper including, but not be limited to, the following:

- (1) Except as provided in 205 CMR(b) through (d) no coin, slot tokens, or slugs shall be removed from a slot machine hopper.
- (2) If a slot machine malfunctions during a payout and the slot machine cannot be repaired in a timely manner, coin and slot tokens may be removed from a slot machine's hopper in order to complete the slot machine paid jackpot. The coin or slot tokens shall be removed from the slot machine hopper by a slot attendant, slot mechanic or supervisor thereof. The removal of the coin or slot tokens shall be documented on the Machine Entry Authorization Log. A gaming licensee shall not be precluded from preparing a Jackpot Payout Slip for the amount of coin or slot token owed the patron provided and a notation is made on the Jackpot Payout Slip indicating the reason for the slip.
- (3) If coin or slot tokens are inserted by a patron and are neither registered nor returned to the patron by the slot machine, a member of the slot department in accordance with 205 CMR (b), may remove the coin or slot tokens from the slot machine hopper and return them to the patron. The removal of the coin or slot tokens shall be documented on the Machine Entry Authorization Log. Under no circumstances shall a gaming licensee remove more coin or slot tokens than the maximum number of coin or slot tokens which can be wagered on one handle pull of the slot machine.
- (4) Whenever slugs are found in a slot machine's hopper the following procedures and requirements shall be followed:
  - (a) A slot attendant, slot mechanic or supervisor thereof shall immediately remove the slugs from the slot machine hopper and place the slugs into an envelope or container. The individual who found the slugs shall record the asset number and denomination of the slot machine, the quantity of slugs found, the date the slugs were found, and his or her signature on the Machine Entry Authorization. The envelope or container may be maintained inside the slot machine until the next scheduled slot drop. A count team member shall complete a two-part Slug Report which contains the following:
    - (1) The date and time;
    - (2) The asset number of the slot machine from which the slugs were removed;
    - (3) The denomination of the slot machine;
    - (4) The number of slugs;
    - (5) A brief description of the slugs; and

- (6) The signature of the count team member completing the two-part Slug Report;
- (b) Upon completion of the Slug Report required by 205 CMR (d)1, the count team member shall remove the envelope or container and transport it with the Slug Report to the master coin bank. The individual accepting receipt of the slugs shall sign the Slug Report. The original Slug Report shall be maintained in the master coin bank and the duplicate shall be delivered to the Division's in-house office by the end of each gaming day;
- (c) Whenever a slug is found in a slot machine's hopper, the slot department member shall inspect the slot machine and coin mechanism to determine if there is a malfunction. The results of this inspection shall be documented on the Machine Entry Authorization; and
- (d) All slugs shall be destroyed in accordance with procedures submitted as part of the internal controls which procedures shall include a written notification to the IEB as to the date, time and location of destruction.

138.61: Slot accounting requirements; electronic table games which accept gaming vouchers or coupons redeemed by gaming voucher system

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include slot accounting procedures designed to ensure that the gaming licensee's slot activities are accurately and timely recorded and reported. Specifically, the policies and procedures shall include, but not be limited to:

- (1) Identification of the specific types of gaming devices from which the revenue is considered slot revenue for reporting purposes.
- (2) The specific reports, by content and frequency, generated by the licensee's automated slot monitoring system, including the distribution thereof and the controls in place to maintain the integrity of the information contained therein.
- (3) The specific procedures utilized by the accounting department to review reports generated by the slot monitoring system and compare the information contained therein to supporting documents to include, but not be limited to:
  - (a) Records of currency, coupons and gaming vouchers inserted for credit.
  - (b) Records of wagering activities from account based wagering reports.
  - (c) Records of wagering activities from electronic fund sources.
  - (d) Records of fills.
  - (e) Records of jackpot and credit meter payouts.
  - (f) Records of voucher payouts.
  - (g) The contents, as counted, of slot cash storage boxes.
  - (h) Variances reported in the slot cash storage box count process.

- (i) Such other documents that support the reported activity of a slot machine or other electronic gaming device.
- (4) Its detailed procedures to investigate and resolve differences, identified by the accounting department, resulting from the comparisons identified in 205 CMR 138.44(3), including supervisory approval thereof.
- (5) Its detailed procedures to audit and account for the activities of its slot machines on a manual basis, in the event that the automated slot monitoring system is not functional.
- (6) The form and frequency of its completed slot revenue reports to include the specific information contained therein (for example, revenue by machine, revenue by denomination, etc.), in a manner that is consistent with other reporting requirements.

138.62: Payment of table game progressive payout wagers; supplemental wagers not paid from the table inventory

RESERVED

138.63: Slot machines and bill changers; authorized locations; movements

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions governing the movement and placement of slot machines and bill changers that, at a minimum, comport with 205 CMR 145.00.

138.64: Accounting controls for chip persons and chip

RESERVED

138.65: Accounting controls for gaming voucher redemption machines

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include a detailed description of its policies and procedures governing the reconciliation of the contents of its gaming voucher redemption machines, which, at a minimum, shall address:

- (1) The procedures and forms, along with a description of the employees who must sign the form, used by the cage to record currency cassette/coin hopper cash fills for the gaming voucher redemption machines;

- (2) The procedures and forms used, along with a description of the employees who must sign the form, for issuance of such cash fills and the department which will be responsible for performing the cash fills;
- (3) The procedures followed by the employee performing the fill with respect to signing out the keys to unlock the cabinets of the automated gaming voucher machines;
- (4) The procedures utilized for removing and replacing currency cassettes, currency cassette reject bins, coin hoppers/coin hopper fills and the information to be recorded on the receipts generated by the machines to record the fill and any forms used, along with a description of the employees who must sign the form, with respect to completion of the fill;
- (5) The procedures followed by the cage for counting and recording the value of the remaining contents of the returned currency cassettes, currency cassette reject bins, coin hoppers or any returned coin from the machines and any forms used, along with a description of the employees who must sign the form with respect to recording the inventory balance;
- (6) A description of which of the forms utilized in these procedures will be forwarded to the accounting department at the end of each gaming day;
- (7) The procedure utilized by the cage to obtain an inventory report from each gaming voucher redemption machine to determine the starting inventory amount for the machine and the information recorded on the inventory report;
- (8) The procedures followed by the accounting department for reconciliation of the change in the contents of the gaming voucher machines, including the generation of a report from each gaming voucher redemption machine that documents each transaction conducted at the machine to confirm that it agrees with the forms completed and receipts generated with respect to the fills and count recorded as to the value of the remaining contents of the machines;
- (9) The frequency in which the contents of all currency cassettes and coin hoppers shall be counted and the method for recording the reconciliation of cash contained therein and the method of recording such reconciliation and reporting any variances to the commission; and
- (10) Procedures to ensure that a record of the number of gaming voucher redemption machines in service at any time, and the frequency in which the contents thereof shall be emptied and reconciled, is provided to the commission.

138.66: Computerized gaming voucher systems; required procedures

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions governing a computerized gaming voucher system for the redemption of gaming vouchers that comports with 205 CMR 143.01(5).

*Miscellaneous*

138.67: Cashless wagering systems

RESERVED

138.68: Master lists of approved table games, movements of gaming equipment; amendments of operation certificates upon filing updated master

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions relative to the movements of gaming equipment that incorporate, at a minimum, the following provisions:

- (1) Prior to the issuance of an operation certificate and the commencement of gaming or simulcast wagering, each gaming licensee shall file with the IEB office in the gaming establishment comprehensive lists of the table games in its gaming establishment, if any (the Table Games Master List).
- (2) At a minimum, each Table Game Master List shall contain the following information:
  - (a) The date on which the list was prepared;
  - (b) A description of each table by:
    - (1) Type of authorized game;
    - (2) Location number; and
    - (3) Serial and table number;and
  - (c) Such other information as the commission may require.
- (3) Whenever a gaming licensee proposes that gaming tables be brought into, removed from or moved within a gaming establishment, as applicable, the gaming licensee shall first:
  - (a) Obtain any amendment to its operation certificate; and
  - (b) Provide an authorized agent of the IEB with written notice at least 72 hours prior to the actual movement of each gaming table, slot machine and bill changer.
- (4) The gaming manager or his or her designee shall notify in writing the accounting department, the security department and the IEB, 72 hours in advance of all movements and removals of gaming tables. The notification shall include at a minimum:
  - (a) The date and time of movement or removal;
  - (b) The gaming table(s) or asset number(s) of slot machines, as applicable;
  - (c) Whether a movement or removal;
  - (d) The location from which gaming table or slot machine will be moved;
  - (e) The location to which the gaming table or slot machine will be moved; and
  - (f) The signature of a gaming manager or designee.
- (5) Prior to moving or removing a gaming table:
  - (a) The table inventory shall be credited from the table; and

- (b) The table drop box shall be removed during a scheduled drop box pick-up and a replacement box not placed on the table.
- (6) Immediately after each gaming table is brought into, removed from or moved within a gaming establishment, the gaming licensee completing the move shall file and serve, in accordance with 205 CMR(a), updated master lists of its table games and slot machines to the extent that the move causes a change in the information contained on the most recent version of the applicable list on file with the commission. In addition, each gaming licensee shall, on a monthly basis, file updated lists of slot machines required pursuant to 205 CMR (a)2 through 4 with the commission.
- (7) The number of each type of authorized game included in the gaming licensee's operation certificate or any approved amendments thereto shall be amended, upon the filing of an updated Table Games Master List to conform to the correct number of each type of authorized game that is specified in the applicable list.

#### 138.69: Signatures

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions relative to signatures required in accordance with the internal controls and 205 CMR in general that incorporate the following provisions:

- (1) Signatures shall, at a minimum, comply with either of the following requirements:
  - (a) Be, at a minimum, the signer's first initial, last name, and legible credential number, written by the signer, and be immediately adjacent to or above the clearly printed or preprinted title of the signer; or
  - (b) Be the employee's identification number or other computer identification code issued to the employee by the gaming licensee, if the document to be signed is authorized to be generated by computer; and
  - (c) Signify that the signer has personally prepared forms, records, and documents, and/or authorized, observed, and/or participated in a transaction to a sufficient extent to attest to the accuracy of the information recorded thereon, in conformity with the internal controls.
- (2) Signature records shall be prepared for each person required to sign records and documents and shall include specimens of signatures, titles of signers and the date the signature was obtained. Such signature records shall be maintained alphabetically by last name either on a company-wide or departmental basis. The signature records shall be adjusted on a timely basis to reflect changes of personnel.
- (3) Signature records shall either be:
  - (a) Securely stored in the accounting department; or
  - (b) Stored in electronic form shall be maintained by the IT Department in a secure format so that such signature records can be promptly retrieved in the event of a computer failure.

#### 138.70: Expiration of gaming-related obligations owed to patrons; payment to the Gaming

### Revenue Fund

- (1) The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include provisions governing the expiration of gaming-related obligations that provides that:
  - (a) Any money that is owed to a patron by a gaming licensee as a result of a gaming transaction must be claimed within one year of the date of the gaming transaction or the obligation of the gaming licensee to pay the patron will expire. Upon expiration of the obligation, the involved funds must be transferred to Gaming Revenue Fund/Gaming Control Fund.
  - (b) A gaming licensee shall maintain a record of all gaming-related obligations that have expired.
- (2) Expiration of gaming-related obligations owed to patrons from the gaming licensee shall, before the end of each calendar month, be reported by the gaming licensee, in a format prescribed by the commission, the total value of gaming debts owed to its patrons that expired during the preceding calendar month.
  - (a) Each gaming licensee shall submit a check with its monthly report payable to the Gaming Revenue Fund/Gaming Control Fund in the amount of the gaming debts owed to its patrons that expired during the preceding month as stated in the report.
  - (b) Upon the payment of the expired debt in accordance with this section, the gaming licensee shall post the payment and remove its records as an outstanding debt.
  - (c) Failure to make the payment to the Gaming Revenue Fund/Gaming Control Fund by the due date shall result in the imposition of penalties and interest as prescribed by 205 CMR x.
  - (d) Nothing in 205 CMR 138.x shall preclude the gaming licensee from, in its discretion, issuing cash or other form of complimentary to a patron to compensate the patron for a gaming debt that has expired.

### 138.71: Entertainment, filming or photography within the gaming establishment

- (1) No entertainment, filming or photography shall be offered or conducted within the gaming establishment, or shall be significantly visible or audible from or in the gaming establishment, unless the gaming licensee files a written notice with the IEB, at least five business days prior to the commencement of such entertainment, filming or photography, which notice shall include, at a minimum, the following information:
  - (a) The date and time of the scheduled entertainment, filming or photography;
  - (b) A detailed description of the type of entertainment, filming or photography to be offered;
  - (c) The number of persons involved in the entertainment, filming or photography;
  - (d) The exact location of the entertainment, filming or photography in the gaming establishment;
  - (e) A description of any additional security measures that will be implemented as a result of the entertainment, filming or photography; and



- (f) A certification from the supervisors of the gaming licensee's security, gaming operations, and surveillance departments that the proposed entertainment, filming or photography will not adversely affect the security and integrity of gaming operations.
- (2) The IEB may at any time require the gaming licensee to immediately cease any entertainment, filming or photography offered within the gaming establishment, if the entertainment, filming or photography provided is in any material manner different from the description contained in the submission filed pursuant to 205 CMR (a) or in any way compromises the security or integrity of gaming operations.
- (3) In reviewing the initial or continued suitability of an entertainment, filming or photography proposal, the IEB shall consider the extent to which the entertainment, filming or photography proposal may unduly disrupt or interfere with:
  - (a) Efficient gaming operations;
  - (b) The security of the gaming establishment or any portion thereof;
  - (c) Surveillance operations; or
  - (d) The security or integrity of gaming operations or any authorized game

138.72: Technical standards for count room equipment

The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall identify all equipment used in the counting process of the contents of drop boxes, slot cash storage boxes, slot drop buckets, and slot drop boxes that include, at a minimum, the following provisions:

- (1) A detailed description of the design and use of the computer equipment and any communication interfaces related to the counting process;
- (2) Names of all revenue files and who has access and what type of access they have to these files; and
- (3) Procedures for controlling changes to computer equipment, communication interfaces, configuration, and software which provide for, at a minimum, written or electronic notification in accordance with 205 CMR.

138.73: Failure to abide by approved system of internal controls

205 CMR 038: M.G.L. c. 23K, §§4(28), 5, and 25(d).

205 CMR: MASSACHUSETTS GAMING COMMISSION

205 CMR 146.00: GAMING EQUIPMENT

Section

**CHIPS AND PLAQUES**

- 146.01 Gaming chips (general rules)
- 146.02 Receipt of gaming chips or plaques from manufacturer or distributor; inventory, security, storage and destruction of chips and plaques
- 146.03 Value gaming chips
- 146.04 Non-value gaming chips
- 146.05 Non-value chips; permitted uses; inventory and impressment
- 146.06 Gaming plaques; issuance and use; denominations; physical characteristics
- 146.06A Exchange and redemption of gaming chips, plaques and coupons

**GAMES**

- 146.07 Roulette wheel and table; physical characteristics; double zero roulette wheel used as a single roulette wheel
- 146.08 Roulette balls
- 146.09 Roulette; inspection procedures; security procedures
- 146.10 Blackjack table, card reader device; physical characteristics; inspections
- 146.10A Three-card poker table; physical characteristics
- 146.10B Spanish 21 table; physical characteristics
- 146.10C Blackjack switch table; physical characteristics
- 146.11 Craps and mini-craps tables; physical characteristics
- 146.12 Baccarat and mini-baccarat tables; physical characteristics
- 146.13 Big Six Wheel and layout; physical characteristics
- 146.13A Sic bo table; sic bo shaker; physical characteristics
- 146.13B Pai gow poker table; pai gow poker shaker; physical characteristics; computerized random number generator

- 146.13C Pai gow table; pai gow shaker; physical characteristics
- 146.13D RESERVED
- 146.13E Poker table; physical characteristics
- 146.13F Double down stud table; physical characteristics
- 146.13G Caribbean stud poker table; physical characteristics
- 146.13H Let it ride poker table; physical characteristics
- 146.13I Mini-dice table; mini-dice shaker; physical characteristics
- 146.13J Fast action hold'em table; physical characteristics
- 146.13K Casino war table; physical characteristics
- 146.13L Colorado hold'em poker table; physical characteristics
- 146.13M Boston 5 stud poker table; physical characteristics
- 146.13N Double cross poker table; physical characteristics
- 146.13O Double attack blackjack table; physical characteristics
- 146.13P Four-card poker table; physical characteristics
- 146.13Q Texas hold'em bonus poker table; physical characteristics
- 146.13R Flop poker table; physical characteristics
- 146.13S Two-card joker poker table; physical characteristics
- 146.13T Asia poker table, Asia poker shaker; physical characteristics; computerized random number generator
- 146.13U Ultimate Texas hold'em table; physical characteristics
- 146.13V Winner's pot poker table; physical characteristics
- 146.13W Supreme pai gow table; pai gow poker shaker; physical characteristics; computerized random number generator
- 146.13X Mississippi stud; physical characteristics
- 146.14 Red dog table; physical characteristics

#### **DICE**

- 146.15 Dice; physical characteristics
- 146.16 Dice; receipt; storage; inspections; and removal from use
- 146.16A Manual and automated dice shakers; security procedures

### **CARDS AND TILES**

- 146.17 Cards; physical characteristics
- 146.18 Cards; receipt, storage, inspections and removal from use
- 146.18A Pre-shuffled and pre-inspected cards
- 146.19 Dealing shoes; automated shuffling devices
- 146.19A Pai gow tiles; physical characteristics
- 146.19B Pai gow tiles; receipt; storage; inspections and removal from use

### **INSPECTIONS AND APPROVALS**

- 146.20 Inspection and approval of gaming equipment and related devices and software

### **CHIPS AND PLAQUES**

#### 146.01: Gaming chips and plaques (general rules)

(1) No gaming chip shall be utilized by a gaming licensee in a gaming establishment until:

(a) The design specifications of the proposed gaming chip, prior to the manufacture of the gaming chip, are submitted to and approved by the IEB, which submission shall include a detailed schematic depicting the actual size and, as appropriate, location of the following:

1. Each “face” of a chip, which is the flat surface across which the diameter of the chip can be measured including any indentations or impressions;
2. The “edge” which is the surface of a chip across which its thickness can be measured in a perpendicular line from one face to the other; and

3. Any colors, words, designs, graphics or security measures contained on the gaming chip;

(b) A sample stack of 20 gaming chips, manufactured in accordance with its approved design specifications, is submitted to and approved by the IEB; and

(c) The IEB has confirmed that the identification requirements of 205 CMR 146.01 are visible using the gaming licensee's closed circuit television system.

(2) Each gaming chip issued by a gaming licensee shall be designed and manufactured with sufficient graphics or other security measures including, at a minimum, those features specifically required to appear on the face or edge of a gaming chip pursuant to this section so as to prevent, to the greatest extent possible, the counterfeiting of the gaming chip.

(3) No gaming licensee shall use or redeem in its gaming establishment any gaming chip that it knows, or reasonably should know, is materially different from the approved sample or no longer conforms to the requirements of 205 CMR 146.01

(4) No gaming licensee or other person licensed by the Commission shall manufacture for, sell to, distribute to, or use in any facility outside of Massachusetts any gaming chips having the same edge spot and design specifications as those approved for use in Massachusetts gaming establishments.

(5) A gaming licensee may issue promotional non-gaming chips that are prohibited from use for gaming in any gaming establishment. The physical characteristics of such chips shall be sufficiently distinguishable from approved design specifications of any gaming chip issued by any gaming licensee so as to reasonably ensure that they will not be confused with authorized gaming chips. At a minimum, such promotional non-gaming chips shall:

(a) Be unique in terms of size or color;

(b) Have no edge designs unique to gaming chips; and

(c) Bear the name of the gaming licensee issuing them and language on both faces stating that they have no redeemable value.

(6) A gaming licensee shall remove a set of gaming chips in use from active play whenever it has reason to believe the gaming establishment has accepted counterfeit chips or whenever any other impropriety or defect in the utilization of that set of chips makes removal of the chips in active use necessary or whenever the IEB so directs. An approved back-up set of value chips or non-value chips shall be placed into active play

whenever an active set is removed.

(7) Whenever chips in active use are removed from play, the gaming licensee shall immediately notify the IEB of the removal and the reason for removal.

(8) Each set of gaming chips approved by the IEB for use by a gaming licensee shall receive a unique and permanent alphabetical designation. This designation shall be assigned by the gaming licensee during the design schematic approval process and shall be used for all inventory procedures required by 205 CMR 146.02. If a gaming licensee elects to commingle gaming chips pursuant to 205 CMR 146.02, in addition to the assigned alphabetical designation for that set of chips, each different sample within the set shall also be assigned an accompanying unique numeric designation.

146.02: Receipt of gaming chips or plaques from manufacturer or distributor;  
inventory, security, storage and destruction of chips and plaques

(1) When gaming chips or plaques are received from the manufacturer or distributor thereof, they shall be opened and inspected by at least three employees, one of whom shall be from the accounting or auditing department of the gaming licensee, one of whom shall be from the games department, and one from any mandatory department other than the surveillance department of the gaming licensee. Any deviation between the invoice accompanying the chips and plaques and the actual chips or plaques received or any defects found in such chips or plaques shall be reported promptly to the IEB.

(2) Each gaming licensee shall report to the IEB promptly after an inspection performed pursuant to 205 CMR 146.02(1) if the inspection discloses any discrepancy.

(3) After inspecting the gaming chips or plaques received, the gaming licensee shall cause to be recorded in a chip inventory ledger (manual or electronic) the assigned alphabetical designation, the denomination of the value chips and gaming plaques received, the number of each denomination of value chip and gaming plaque received, the number and description of all non-value chips received, the date of any such receipt, and the signatures of the employees who inspected any such chips and plaques. If the chips or plaques are required by 205 CMR 146 to have a unique serial number, the numeric number shall also be recorded. If the gaming chips or plaques are not put into active use, the ledger shall also identify the storage location.

(4) Any gaming chips or plaques not in active use shall be stored in:

(a) An approved vault;

(b) The cashiers' cage; or

(c) A comparable secure area, approved by the IEB, which is adjacent to and accessible exclusively from the gaming floor.

(5) Whenever any gaming chips or plaques are removed from or returned to an approved storage area, at least two employees shall be present, one of whom shall be a supervisor from the games or security department, and the following information shall be recorded in the chip inventory ledger together with the date and signatures of the employees involved:

- (a) The alphabetical designation and, if applicable, any numeric designation;
- (b) The number and dollar amount for each denomination of value chip or gaming plaque removed or returned;
- (c) The number and description of the non-value chips removed or returned;
- (d) The specific storage area being entered; and
- (e) The reason for the entry into the storage area.

(6) At the end of each gaming day, a gaming licensee shall compute and record the unredeemed liability for each denomination of value chips and gaming plaques. At least once every 30 days, at a minimum, each gaming licensee shall inventory all sets of value chips and gaming plaques in its possession and shall record the result of such inventory in the chip inventory ledger. The procedures to be utilized to compute the unredeemed liability and to inventory value chips and gaming plaques shall be submitted to the IEB. A physical inventory of value chips and gaming plaques not in active use shall only be required annually if the inventory procedures incorporate the sealing of the locked compartment. If a gaming licensee elects to commingle gaming chips, a member of the gaming establishment's accounting department shall, at least once every six months, inventory all gaming chips of a particular sample and readjust the starting inventory for those gaming chips which are no longer in the possession of the gaming licensee. The adjusted inventory figure shall be recorded in the chip inventory ledger and shall be the new beginning inventory figure for the next six-month period for purposes of computing the daily outstanding chip liability required by this section.

(7) The IEB shall approve the process for the destruction of chips and plaques. Prior to the destruction of gaming chips and plaques, the gaming licensee shall notify the IEB, in writing, of the date and the location at which the destruction will be performed, the denomination, number and amount of value chips and plaques to be destroyed, and the description and number of non-value chips to be destroyed. Unless otherwise authorized by the IEB, the destruction of gaming chips and plaques shall be carried out in the presence of at least two employees of the gaming licensee, one of whom shall be from the accounting department and one of whom shall be from any other mandatory department

other than the surveillance department. The denomination, number and amount of value chips and plaques or, in the case of non-value chips, the description and number so destroyed shall be recorded in the chip inventory ledger together with the signatures of the individuals carrying out such destruction, and the date on which the destruction occurred. The gaming licensee shall also maintain a written log of the names and credential numbers of all individuals involved in each such destruction.

(8) A gaming licensee shall ensure that at all times there is adequate security, as approved by the IEB, for all gaming chips and plaques in its possession.

146.03: Value gaming chips

(1) Each gaming chip which contains a denomination on each face thereof shall be known as a "value chip." Value chips shall only be utilized on the gaming floor, unless otherwise authorized by the IEB.

(a) Each gaming licensee shall be authorized to issue and use value chips in denominations of \$1.00, \$2.50, \$5.00, \$10.00, \$20.00, \$25.00, \$100.00, \$500.00, \$1,000, \$5,000, \$20,000, and \$25,000 and in such quantities as the gaming licensee may deem appropriate to conduct gaming in its gaming establishment.

(b) Each value chip issued by a gaming licensee shall be in the form of a disk. Value chips with a denomination of \$1.00, \$2.50, \$5.00, \$10.00, \$20.00, \$25.00, and \$100.00, shall have a uniform diameter of one and 9/16ths inches. Any value chip issued by a gaming licensee in the denomination of \$500.00 shall have a uniform diameter of one and 9/16ths inches or one and 11/16ths inches. Any value chip issued in the denomination of \$1,000, \$5,000, \$20,000, or \$25,000 shall have a uniform diameter of one and 11/16ths inches.

(c) Each value chip issued in a denomination of \$20,000 or \$25,000, in addition to satisfying the requirements set forth in this section, shall be impressed with a unique serial number.

(2) Each denomination of value chip issued by a gaming licensee shall contain a predominant color unique to that denomination to be known as the "primary color." A "secondary color" on a value chip is any color, other than that chip's primary color, that the IEB authorizes a gaming licensee to include on the face or edge of the chip as a contrast to the chip's primary color, except that no primary color shall be used as a secondary color on a value chip of another denomination where such use on the edge is reasonably likely to cause confusion as to the chip's denomination when the edge alone is visible.

(3) Each licensed gaming chip manufacturer shall submit sample color disks to the IEB that identify all primary and secondary colors to be used for the manufacture of gaming



chips for gaming licensees in Massachusetts. Once a gaming chip manufacturer has received approval for a primary or secondary color, those colors shall be consistently manufactured in accordance with the approved samples. In order for a primary color to be approved for use, it must visually appear, when viewed either in daylight or under incandescent light, to comply with the color tolerances set forth below or such other similar color tolerances as approved by the IEB.

(a) \$1.00 - "White" which shall mean that color classified as N9/ on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Value	V+ N9.4/	V- N8.75/
Chroma	5R 9/1	5G 9/0.5
	5 YR 9/1	5B 9/0.5
	5Y 9/1	5P 9/0.5

(b) \$2.50 - "Pink" which shall mean that color classified as 2.5R 6/10 on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Hue	H+ 3.75R 6/10	H- 1.25R 6/10
Value	V+ 2.5R 6.75/10	V- 2.5R 5.75/10
Chroma	C+ 2.5R 6/12	C- 2.5R 6/8

(c) \$5.00 - "Red" which shall mean that color classified as 2.5R 4/12 on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Hue	H+ 3.75R 4/12	H- 1.25R 4/12
Value	V+ 2.5R 4.5/12	V- 2.5R 3.5/12
Chroma	C+ 2.5R 4/14	C- 2.5R 4/10

(d) \$10.00 - "Blue" which shall mean that color classified as 2.5PB 4/10 on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Hue	H+ 5PB4/10	H- 10B4/10
Value	V+ 2/5PB4.5/10	V- 2.5PB3.5/10
Chroma	C+ None	C- 2.5PB4/9

(e) \$20.00 - "Yellow" which shall mean that color classified as 5Y 8.5/12 on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
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Hue	H+ 7.5Y 8.5/12	H- 2.5Y 8.5/12
Value	V+ 5Y 8.75/12	V- 5Y 8/12
Chroma	C+ 5Y 8.5/14	C- 5Y 8.5/10

(f) \$25.00 - "Green" which shall mean that color classified as 2.5G 5/12 on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Hue	H+ 3.75G 5/12	H- 1.25G 5/12
Value	V+ 2.5G 5.5/12	V- 2.5G 4.5/12
Chroma	C+ None	C- 2.5G 5/9

(g) \$100.00 - "Black" which shall mean that color classified as N2/ on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Value	V+ N2.3/	V- N1.5/
Chroma	5R 2/0.5 5Y 2/0.5 5G 2/0.5	5B 2/0.5 5P 2/0.5

(h) \$500.00 - "Purple" which shall mean that color classified as 2.5P 4/10 on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Hue	H+ 3.75P 4/10	H- 1.25P 4/10
Value	V+ 2.5P 4.5/10	V- 2.5P 3.5/10
Chroma	C+ None	C- 2.5P 4/8

(i) \$1,000 - "Fire Orange" which shall mean that color classified as 8.9R 5.9/18.5 on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Hue	H+ .15YR 5.9/18.5	H- 7.64R 5.9/18.5
Value	V+ 8.9R 6.4/18.5	V- 8.9R 5.4/18.5
Chroma	C+ 8.9R 5.9/20.5	C- 8.9R 5.9/16.5

(j) \$5,000 - "Gray" which shall mean that color classified as N5/ on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Value	V+ N 5.5/	V- N 4.5/
Chroma	5R 5/0.5 5Y 5/0.5	5B 5/0.5 5P 5/0.5

5G 5/0.5

(k) \$20,000 - "Mustard Yellow" which shall mean that color classified as 5Y 7/6 on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Hue	H+ 7.5Y 8.5/6	H- 2.5Y 8.5/6
Value	V+ 5Y 9/6	V- 5Y 8/6
Chroma	C+ 5Y 8.5/8	C- 5Y 8.5/4

(l) \$25,000 - "Gold" which shall mean that color classified as 5Y 6/6 on the Munsell System of Color Coding which shall be reproduced to within the following tolerances:

	<u>Upper Limits</u>	<u>Lower Limits</u>
Hue	H+ 7.5Y 6/6	H- 2.5Y 6/6
Value	V+ 5Y 7/6	V- 5Y 5/6
Chroma	C+ 5Y 6/8	C- 5Y 6/4

(m) Any gaming licensee may file a petition for Commission approval requesting a different denomination value chip than listed in 205 CMR 146.03 above.

(4) Each value chip issued by a gaming licensee shall contain certain identifying characteristics that may appear in any location at least once on each face of the gaming chip and are applied in a manner which ensures that each such characteristic shall be clearly visible and remain a permanent part of the gaming chip. These characteristics shall, at a minimum, include:

- (a) The denomination of the value chip, expressed in numbers;
- (b) The name, trade name, or other approved identification of the gaming licensee issuing the value chip, which shall be applied in such a manner so as to be visible to surveillance employees using the closed circuit television system;
- (c) For each value chip with a denomination below \$25.00 at least one anti-counterfeiting measure and each value chip with a denomination of \$25.00 or more at least two anti-counterfeiting measures in addition to those items specifically required to appear on the face or edge of a value chip by this section;
- (d) The words " Massachusetts" if the gaming licensee has gaming properties in other gaming jurisdictions; and
- (e) The primary color of the value chip.

(5) In addition to the characteristics specified in 205 CMR 146.02(4), each value chip in a denomination of \$25.00 or more shall contain a third anti-counterfeiting measure and a design or other identifying characteristic that is unique to the gaming chip manufacturer that makes the chip. Upon approval of a particular design or characteristic by the IEB, the gaming chip manufacturer shall thereafter have the exclusive right to use that design or characteristic on that denomination of value chip and shall be precluded from using that same design or characteristic on any other denomination of value chip that it manufactures. The approved unique design or characteristic may only be changed upon a showing by the gaming chip manufacturer that, despite the change, each value chip in a denomination of \$25.00 or more shall nonetheless be readily identifiable to the manufacturer. An example of the application of this subsection is as follows:

(a) If a hexagon is approved for use by Manufacturer A on a \$100.00 value chip, a hexagon can be used by Manufacturer A on any \$100.00 value chip that it makes for any gaming licensee, but Manufacturer A cannot use a hexagon on any other denomination of value chip that it manufactures; but

(b) Manufacturer B could use a hexagon on any value chip with a denomination of less than \$25.00 and on any value chip with a denomination of \$25.00 or more, other than a \$100.00 chip, provided that no other manufacturer has been granted approval by the IEB to use a hexagon on the same particular value chip with a denomination of \$25.00 or more.

(6) Each value chip issued by a gaming licensee shall contain an identifying characteristic, to be known as an "edge spot," which shall:

(a) Be applied in a manner which ensures that the edge spot shall:

1. Be clearly visible on the edge and, to the extent required by the IEB, on each face of the value chip; and
2. Remain a permanent part of the value chip.

(b) Be created by using:

1. The primary color of the chip; and
2. One or more secondary colors.

(c) Include a design, pattern or other feature that a natural person with adequate training could readily use to identify, when viewed through the closed circuit television system of the gaming licensee, the denomination of the particular value chip when placed in a stack of gaming chips, in the table inventory or in any other location where only the edge of the value chip is visible; provided, however, that

the design, pattern or feature created by the primary and secondary colors required by 205 CMR 146.03 shall be sufficient by itself to satisfy the requirements of this paragraph if approved for that purpose by the IEB.

(7) When determining the secondary colors to be used to make the edge spot on a particular denomination of value chip, a gaming licensee shall, unless otherwise approved by the IEB, use only those secondary colors that are reasonably likely to differentiate its value chip from the same denomination of value chip issued by any other gaming licensee.

(a) If an approved value chip uses a single secondary color, no other gaming licensee shall use a similar secondary color as the sole secondary color on the same denomination of value chip unless it is used in a different pattern or design approved by the IEB pursuant to 205 CMR 146.03.

(b) If an approved value chip uses a combination of two or more secondary colors, no other gaming licensee shall use that identical combination of secondary colors on the same denomination of value chip unless it is used in a different pattern or design approved by the IEB pursuant to 205 CMR 146.03.

(8) In addition to any other requirement of by 205 CMR 146.03 and this section, the edge spots on a value chip that has non-identical faces and a denomination of \$25.00 or more shall appear uniform in design, pattern, or other feature when viewed from the perspective of the same face on any other value chip in the set. The edge spots on a value chip that has non-identical faces and a denomination below \$25.00 may appear uniform in design, pattern or other feature or as an inverted mirror image thereof when viewed from the perspective of either face on any other value chip in the set.

(9) Unless otherwise authorized by the IEB, for each value gaming chip that a gaming licensee elects to issue pursuant to this section whose denomination is greater than \$10.00, or equal to \$1,000 or \$5,000, it shall also have at least one approved set of gaming chips that may be used as a back-up for the gaming chips in active use. Each set of value chips maintained for use by a gaming licensee shall have different secondary colors. All sets of value gaming chips shall conform to the color and design requirements contained in this chapter.

(10) A gaming licensee may obtain IEB approval of two or more different samples within a single set of value chips for a particular denomination with a value of \$100.00 or less ("commingling"), provided that each sample of a particular denomination shall have the same secondary color and edge design. Any approved sample of a particular denomination of value chip within a single set of chips may be placed in or removed from active use by the gaming licensee at any time.

146.04: Non-value gaming chips

(1) Each gaming chip which does not contain a denomination on either face thereof shall be known as a "non-value" chip.

(2) Each non-value chip utilized in a gaming establishment shall be issued solely for the purpose of gaming at roulette.

(3) Each non-value chip issued by a gaming licensee shall contain certain identifying characteristics that may appear in any location at least once on each face of the gaming chip and shall be applied in a manner which ensures that each such characteristic shall be clearly visible and remain a permanent part of the gaming chip. The characteristics required by 205 CMR 146.04 shall be applied in such a manner so as to be visible to surveillance employees using the closed circuit television system. The identifying characteristics of a non-value chip, at a minimum, shall include:

(a) The name, trade name, or other identification of the gaming licensee issuing the non-value chip;

(b) A design, insert, or symbol that will permit a set of non-value chips being used at a particular gaming table to be distinguished from the non-value chips being used at every other gaming table in the gaming establishment;

(c) The word "Roulette"; and

(d) Such color and/or design combinations as the IEB may approve so as to readily distinguish the non-value chips of each player at a particular gaming table from:

1. The non-value chips of every other player at the same gaming table;  
and

2. The value chips issued by any gaming licensee.

(4) Each non-value chip issued by a gaming licensee shall contain an identifying characteristic, to be known as an "edge spot," which shall:

(a) Be applied in a manner which ensures that the edge spot shall:

1. Be clearly visible on the edge and, to the extent required by the IEB on each face of the non-value chip; and

2. Remain a permanent part of the non-value chip;

(b) Be created by using the colors approved for the face of the particular non-

value chip pursuant to 205 CMR 146.04 in combination with one or more other colors that provide a contrast with the color on the face of the chip and that enable it to be distinguished from the non-value chips issued by any other gaming licensee; and

(c) Include a design, pattern or other feature approved by the IEB that a natural person with adequate training could readily use to identify, when viewing the non-value chip through the closed circuit television system of the gaming licensee, the player to whom the non-value chip has been assigned when the non-value chip is placed in a stack of gaming chips or in any other location where only the edge of the non-value chip is visible; provided, however, that the design, pattern or feature created by the colors required by 205 CMR 146.04 shall be sufficient by itself to satisfy the requirements of this paragraph if approved for that purpose by the IEB.

(5) Each gaming licensee shall have a reserve non-value chip for each color utilized in the gaming establishment with a design insert or symbol different from those non-value chips comprising the primary set.

146.05: Non-value chips; permitted uses; inventory and impressment

(1) Each non-value chip shall be assigned to a particular gaming table and shall be issued and used for gaming at that table only. All non-value chips utilized at a particular gaming table shall have the same design, insert or symbol as required by 205 CMR 146.04. No gaming licensee or any employee thereof shall allow any patron to remove a non-value chip from the gaming table at which it was issued. If a patron removes a non-value chip from the gaming table at which it was issued, the gaming licensee may redeem such chip at the lowest denomination in use at the table.

(2) No patron at a gaming table shall be issued or permitted to game with non-value chips that are identical in color and design to any non-value chip issued to any other patron at the same table. When a patron purchases non-value chips, a non-value chip of the same color and design shall be placed in a slot or receptacle attached to the outer rim of the roulette wheel, in such other device as approved by the IEB. At that time, a marker button denoting the value of a stack of 20 non-value chips of the same color and design shall be placed in the slot, receptacle or other device (for example, a marker button with "100" imprinted on it would be placed in the receptacle to designate that, during the patron's play on that occasion only, the non-value chips of that color and design are each worth \$5.00).

(3) An impressment of the non-value chips assigned to each gaming table shall be completed at least once every 30 days. The gaming licensee shall record the results of the impressment in the chip inventory ledger required pursuant to 205 CMR 146.02 and shall perform the impressment as follows:

- (a) A gaming department supervisor shall complete a "Non-Value Chip Impression" ledger (electronic or manual) to record missing or excess chips and shall deliver the ledger and any excess chips to the main bank or chip bank;
  - (b) Upon receipt of the "Non-Value Chip Impression" ledger, a main bank cashier or chip bank cashier shall, if appropriate, immediately prepare any chips needed to impress the table; and
  - (c) The gaming department supervisor shall then, if applicable, deliver the non-value chips needed to restore the impress to the appropriate gaming table.
- (4) The completed "Non-Value Chip Impression" form shall be maintained by the accounting department and shall contain, at a minimum, the following:
- (a) The date and time of preparation;
  - (b) The design schematic of the chip including its primary color and the applicable table number;
  - (c) The signature of the gaming department supervisor who completes the "Non-Value Chip Impression" form and the impression for such table; and
  - (d) The signature of the main bank cashier or chip bank cashier who reviewed the form and, if necessary, prepared the chips to restore the impression.
- (5) Each gaming licensee shall record in the chip inventory ledger required by 205 CMR 146.02, a monthly summary of the non-value chip inventory for each gaming table. This monthly summary shall include, at a minimum, the following information for each non-value chip color and design:
- (a) The balance on hand at the beginning of the month;
  - (b) The number of non-value chips distributed to the gaming table during the month;
  - (c) The number of non-value chips returned to inventory during the month; and
  - (d) The balance on hand at the end of the month.

146.06: Gaming plaques; issuance and use; denominations; physical characteristics

- (1) Each gaming plaque issued by a gaming licensee shall be a solid, one-piece object constructed entirely of plastic or other substance approved by the IEB and shall have no



more than six, and at least two, smooth, plane surfaces. At least two of the plane surfaces, each to be known as a "face," shall be opposite and parallel to each other and identical in shape, which shall be a square, rectangle or ellipse. All other surfaces of a gaming plaque shall be known collectively as the "edge."

(2) No gaming plaque shall be issued by a gaming licensee or utilized in a gaming establishment unless and until:

(a) The design specifications of the proposed gaming plaque are, prior to the manufacture of the gaming plaque, submitted to and approved by the IEB, which submission shall include a detailed schematic depicting the actual size and, as appropriate, location of the following:

1. Each face;
2. The edge; and
3. Any colors, words, designs, graphics or security measures contained on the gaming plaque;

(b) A sample gaming plaque, manufactured in accordance with its approved design specifications, is submitted to and approved by the IEB; and

(c) The gaming licensee has submitted to the IEB internal control procedures which document the distribution, redemption, receipt and inventory of gaming plaques, by serial number, as required by 205 CMR 146.02.

(3) Each face of a square gaming plaque shall measure no smaller than nine square inches. Each face of a rectangular or elliptical gaming plaque shall measure no smaller than three inches in length by two inches in width. In the case of an elliptical gaming plaque, the length and width of the plaque shall be measured at its axes.

(4) Each gaming plaque issued by a gaming licensee shall be designed and manufactured with sufficient graphics or other security measures so as to prevent, to the greatest extent possible, the counterfeiting of such gaming plaque.

(5) Each gaming licensee shall be authorized to issue and use gaming plaques in denominations of \$5,000, \$10,000, \$25,000, \$50,000 and \$100,000, and in such quantities as the gaming licensee may deem proper to conduct gaming in its gaming establishment. Each gaming plaque of a specific denomination utilized by a gaming licensee shall be in a shape and of a size, as approved by the IEB, which is identical to the shape and size of all other gaming plaques of that denomination issued by that gaming licensee. The size and shape of each denomination of gaming plaque issued by a gaming licensee shall be readily distinguishable from the size and shape of every other

denomination of gaming plaque issued by that gaming licensee.

(6) Each gaming plaque issued by a gaming licensee shall contain certain identifying characteristics which shall appear at least once on each face of the gaming plaque and shall be applied in a manner which ensures that each such characteristic shall be clearly visible and remain a permanent part of the gaming plaque. These characteristics shall, at a minimum, include:

- (a) The denomination of the gaming plaque, expressed in numbers of no less than three-eighths inch in height
- (b) The name, trade name, or other approved identification of the gaming licensee issuing the gaming plaque, which shall be applied in such a manner so as to be visible to surveillance employees using the closed circuit television system; and
- (c) A unique serial number.

146.06A: Exchange and redemption of gaming chips, plaques and coupons

(1) All wagering on authorized games, other than slot machines, in a gaming establishment shall be conducted with gaming chips or plaques; provided, however, that coupons shall be permitted for use in wagering at authorized games in accordance with 205 CMR 147.XXX. A gaming licensee shall submit to the IEB a sample of its coupons. Value chips previously issued by a gaming licensee which are not in active use by that gaming licensee shall not be used for wagering at authorized table games and shall not be accepted nor exchanged for any purpose. Such chips shall only be redeemed at the cashiers' cage pursuant to 205 CMR 146.06A(7).

(2) Gaming chips or plaques shall be issued to a patron only at the request of such patron and shall not be given as change in any other but a gaming transaction. Unless otherwise authorized by 205 CMR, gaming chips and plaques shall be issued only by dealers to gaming patrons at gaming tables. Gaming chips may be issued by chippersons to patrons seated at a poker table at which a game is in progress or by general cashiers. Gaming plaques and value chips shall be redeemed by gaming patrons only at the cashiers' cage; provided, however, that value chips may be:

- (a) Issued to a patron in payment of a simulcast wager and as part of a simulcast wagering transaction in which value chips are tendered for wager;
- (b) Issued to a patron in payment of a manual slot machine jackpot;
- (c) Exchanged by a patron at the slot booths or with change persons for currency, coin or slot tokens to play the slot machines;

(d) Used by a patron for simulcast wagering;

(e) Exchanged for a gaming check upon a patron request to redeem value chips by mail in any amount. The chips shall be redeemed only by a cage supervisor, in accordance with internal controls which, at a minimum, shall detail procedures for the issuance of the gaming check and the transfer of the surrendered value chips to the chip bank in a transaction fully supported by proper documentation; and

(f) Exchanged by a patron for a pit counter check redemption as permitted by the regulations of the Commission.

(3) Non-value chips shall be presented for redemption only at the gaming table from which they were issued and shall not be redeemed or exchanged at any other location within the gaming establishment. When non-value chips are presented for redemption, the dealer shall accept them in exchange for an equivalent amount of value chips which may then be used by the patron for gaming in the gaming establishment or redeemed in the same manner as any other value chip.

(4) Each gaming licensee shall have the discretion to permit, limit or prohibit the use of value chips in gaming at roulette, provided, however, that:

(a) No person shall be permitted to wager a value chip with a match play coupon at any roulette table at which match play coupons are permitted to be used; and

(b) When value chips are in use, it shall be the responsibility of the gaming licensee and its employees to keep accurate account of the wagers being made at roulette with value chips so that the wagers made by one player are not confused with those made by another player at the table.

(5) Each gaming chip and plaque is solely evidence of a debt that the issuing gaming licensee owes to the person legally in possession of the gaming chip or plaque, and shall remain the property of the issuing gaming licensee. Each gaming licensee shall have the right at any time to demand that the person in possession of the gaming chip or plaque surrender the item for redemption.

(6) Each gaming licensee shall redeem promptly its own genuine gaming chips and gaming plaques presented by a patron in person, except when the gaming chips or plaques were obtained or being used unlawfully. A gaming licensee shall redeem its value chips or gaming plaques by accepting them in exchange for an equivalent amount of cash, except that:

(a) Upon request by a patron who surrenders value chips or gaming plaques in any amount over \$100.00, a gaming licensee shall exchange them for a gaming

check of that gaming licensee in the amount of the value chips or gaming plaques surrendered and dated the day of such redemption; and

(b) A gaming licensee may apply all or any part of the value chips or gaming plaques presented by a patron to the redemption of any Counter Check or Slot Counter Check drawn by the patron, or to the payment of any returned check, provided that the gaming licensee has given that patron prior written notice of such right of setoff and has obtained the patron's written acknowledgment thereof:

1. As part of the patron's credit application;
2. In a separate writing, which shall be maintained in the patron's credit file; or
3. On a Counter Check or Slot Counter Check drawn by the patron and issued; provided that the patron specifically acknowledges the notice by signing his or her name thereunder or in any other manner in accordance with internal controls, and further provided that a photocopy of the signed Counter Check or Slot Counter Check shall be maintained in the patron's credit file.

(7) Each gaming licensee shall accept, exchange, use or redeem only gaming chips or plaques that it has issued and shall not knowingly accept, exchange, use or redeem gaming chips or plaques, or objects purporting to be gaming chips or plaques, that have been issued by any other person, except that a gaming licensee may accept and redeem:

(a) Gaming chips or plaques issued by another legally operated gaming licensee from a patron upon the patron's representation that such chips or plaques had been purchased or received as payment in a gaming transaction from an employee of such licensee working on the premises; or

(b) Gaming chips issued by any other legally operated gaming licensee from one of its employees who is authorized to receive gratuities, upon the employee's representation that such chips were received as gratuities in the normal course of his or her duties while on the premises of the gaming licensee.

(8) Employees of a gaming licensee who are authorized to receive gaming chips as personal gratuities may redeem the gaming chips at the cashiers' cage or at another secure location in the gaming hotel as approved by the IEB. Gaming chips redeemed by employees at a non-cage employee redemption site shall be exchanged on a daily basis with the cashiers' cage in accordance with the gaming licensee's internal control procedures.

(9) Each gaming licensee shall redeem promptly its own genuine value chips and gaming

plaques presented to it by any other legally operated gaming licensee upon the representation that such chips and plaques were received or accepted unknowingly, inadvertently or in error or were redeemed in accordance with the provisions of 205 CMR 146.06 (9). Each gaming licensee shall submit to the IEB a system for the exchange, with other legally operated gaming licensees, of value chips and gaming plaques:

(a) That are in its possession and that have been issued by any other legally operated gaming licensee; and

(b) That it has issued and that are presented to it for redemption by any other legally operated gaming licensee.

(10) Each gaming licensee shall cause to be posted and remain posted in a prominent place on the front of the cashiers' cage and any satellite cage a sign that reads as follows:

"By law, gaming chips or plaques issued by another gaming licensee may not be used, exchanged or redeemed in this gaming establishment."

## **GAMES**

### 146.07: Roulette wheel and table; physical characteristics; double zero roulette wheel used as a single roulette wheel

(1) Roulette shall be played on a table having a roulette wheel of not less than 30 inches in diameter at one end of the table and a roulette layout imprinted on the opposite end of the table. A true-to-scale rendering and a color photograph of the layout(s) shall be submitted to the IEB's principal office prior to utilizing the layout design.

(2) Each roulette wheel shall be of a single zero variety or a double zero variety as described and depicted below:

(a) Each single zero roulette wheel shall have 37 equally spaced compartments around the wheel where the roulette ball shall come to rest. The roulette wheel shall also have a ring of 37 equally spaced areas to correspond to the position of the compartments with one marked zero and colored green and the others marked 1 to 36 and colored alternately red and black. Unless otherwise approved by the IEB, the numbers shall be arranged clockwise around the wheel in the following order: 0, 32, 15, 19, 4, 21, 2, 25, 17, 34, 6, 27, 13, 36, 11, 30, 8, 23, 10, 5, 24, 16, 33, 1, 20, 14, 31, 9, 22, 18, 29, 7, 28, 12, 35, 3, and 26. The color of each compartment shall either be a corresponding color to those depicted on the ring or a neutral color.

(b) Each double zero roulette wheel shall have 38 equally spaced compartments around the wheel where the roulette ball shall come to rest. The roulette wheel

shall also have a ring of 38 equally spaced areas to correspond to the position of the compartments with one marked zero and colored green, one marked double-zero (00) and colored green, and the others marked 1 to 36 and colored alternately red and black. Unless otherwise approved by the IEB, the numbers shall be arranged clockwise around the wheel in the following order: 0, 28, 9, 26, 30, 11, 7, 20, 32, 17, 5, 22, 34, 15, 3, 24, 36, 13, 1, 00, 27, 10, 25, 29, 12, 8, 19, 31, 18, 6, 21, 33, 16, 4, 23, 35, 14, and 2. The color of each compartment shall either be a corresponding color to those depicted on the ring or a neutral color.

(c) If a gaming licensee offers the optional six numbers color wager authorized by 205 CMR 147.XXX:

1. The areas on the ring of a single zero roulette wheel shall have one marked zero (0) and colored green, and the others marked in the order specified in (b)1 above, but colored as follows: purple - 4, 21, 2, 25, 17, 34; green - 6, 27, 13, 36, 11, 30; black - 8, 23, 10, 5, 24, 16; blue - 33, 1, 20, 14, 31, 9; gold - 22, 18, 29, 7, 28, 12; and red - 35, 3, 26, 32, 15, 19. The color of each compartment shall either be a corresponding color to those depicted on the ring or a neutral color as approved by the IEB.

2. The areas on the ring of a double zero roulette wheel shall have one marked zero (0) and colored green, one marked double-zero (00) and colored green, and the others marked in the order specified in (b)1 and 2 above, but colored as follows: blue - 30, 11, 7, 20, 32, 17; gold - 5, 22, 34, 15, 3, 24; red - 36, 13, 1, 27, 10, 25; purple - 29, 12, 8, 19, 31, 18; green - 6, 21, 33, 16, 4, 23; and black - 35, 14, 2, 28, 9, 26. The color of each compartment shall either be a corresponding color to those depicted on the ring or a neutral color.

(3) A double zero roulette wheel may be used as a single zero roulette wheel, provided that:

(a) The "00" wager area on the layout is obscured with a cover or other approved device which clearly indicates that such a wager is not available; and

(b) Appropriate signage is posted at the roulette table to notify players that:

1. A double zero roulette wheel is being used as a single zero roulette wheel, and that double zero (00) is not an available wager;

2. If the roulette ball comes to rest in a compartment marked double zero (00), the spin will be declared void and the wheel will be spun again; and

3. Wagers on red, black, odd, even, 1 to 18 and 19 to 36 shall be lost if the roulette ball comes to rest in a compartment marked zero (0).

(4) The layout for a roulette table shall contain, at a minimum:

- (a) The name or trade name of the gaming licensee offering the game; and
- (b) Specific areas for the placement of the wagers authorized by 205 CMR 147.XXX.

(5) If a gaming licensee offers an optional wager authorized by 205 CMR 147.XXX, the layout for that roulette table shall also include, designated areas for the placement of such wagers.

(6) Each roulette table shall have a drop box and tip box attached to it. Any modification to the location of the drop box and tip box shall require notice to the IEB, submitted 72 hours in advance of the modification. The notice shall include a detailed description of the modification being made.

#### 146.08: Roulette balls

Balls used in gaming at roulette shall be made completely of a non-metallic material and not be less than 12/16 of an inch nor more than 14/16 of an inch in diameter unless otherwise approved by the IEB.

#### 146.09: Roulette; inspection procedures; security procedures

(1) Prior to opening a roulette table for gaming activity, a supervisor or member of the security department shall:

- (a) Inspect the roulette table and roulette wheel for any magnet or contrivance that would affect the fair operation of such wheel;
- (b) Inspect the roulette wheel to assure that it is level and rotating freely and evenly;
- (c) Inspect the roulette wheel to assure that all parts are secure and free from movement;
- (d) Inspect the roulette ball by passing it over a magnet or compass to assure its non-magnetic quality; and
- (e) Confirm that the layout and signage comply with 205 CMR 146.07(3), if a double zero roulette wheel is being used as a single zero roulette wheel.

(2) If a gaming licensee uses a roulette wheel which has external movable parts, any adjustments to the movable parts shall be made by a gaming establishment supervisor or a member of the gaming establishment maintenance department, in the presence of a security department member. Adjustments to the movable parts of a roulette wheel that is located on the gaming floor shall only be made:

(a) When the roulette table is not open to the public; or

(b) If the roulette wheel is moved to a secure location outside the gaming establishment as approved by the IEB.

(3) All adjustments shall be completed prior to the inspections required pursuant to 205 CMR 146.09(a).

(4) The gaming licensee may replace any of the movable parts at any time, provided, however, if any one or more of the movable parts are external then an inspection must be completed in accordance with 205 CMR 146.09 (1) and notification of what was replaced provided to the IEB, prior to reopening the roulette wheel and table for gaming activity.

(5) A log of adjustments shall be maintained which shall include, at a minimum, the date, the roulette table number, whether an adjustment or replacement was completed and the signature of the person making the adjustment or replacement.

(6) When a roulette table is not open for gaming activity, the roulette wheel shall be secured by placing a cover over the entire wheel and securely locking such cover to the roulette table.

146.10: Blackjack table; card reader device; physical characteristics; inspections

(1) Blackjack shall be played at a table having on one side places for the players and on the opposite side a place for the dealer. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for a blackjack table shall contain, at a minimum:

(a) The name or trade name of the gaming licensee offering the game; and

(b) Specific areas designated for the placement of wagers, which betting areas shall not exceed seven in number, with the exception of the 6 to 5 blackjack variation, which shall contain no more than six betting areas.

(3) The following inscriptions shall appear on the blackjack layout:



- (a) Blackjack pays 3 to 2;
- (b) Dealer must draw to 16 and stand on all 17's; and
- (c) Insurance pays 2 to 1.

(4) If a gaming licensee offers blackjack rule variations, the blackjack layout shall have imprinted on it, at a minimum, the following inscriptions instead of the inscriptions set forth in 205 CMR 146.10(3):

- (a) Blackjack pays 1 to 1;
- (b) Dealer must draw to 16 and stand on all 17's; and
- (c) Dealer's hole card dealt face up.

(5) Each blackjack table shall have a drop box and a tip box attached to it with the location of said boxes on the same side of the gaming table, but on opposite sides of the dealer, as previously approved by the IEB.

(6) If a gaming licensee offers one of the additional wagers authorized by 205 CMR 147.XXX, the blackjack layout shall have designated areas for the placement of the additional wager. If a gaming licensee offers the additional wager authorized by 205 CMR 147.XXX- 2.17(a)1, the layout shall also have the payout odds for the additional wager imprinted thereon. If a gaming licensee offers the additional wager authorized by 205 CMR 147.XXX, the layout or a separate sign located at the table shall contain the payout odds for the additional wager.

(7) A blackjack table may have attached to it, an approved card reader device which permits the dealer to read his or her hole card in order to determine if the dealer has a blackjack in accordance with 205 CMR 147.XXX. If a blackjack table has an approved card reader device attached to it, the floorperson assigned to the table shall inspect the card reader device at the beginning of each gaming day. The purpose of this inspection shall be to insure that there has been no tampering with the device and that it is in proper working order. A card reader device may not be used on a blackjack table offering a progressive blackjack wager pursuant to 205 CMR 147.XXX.

(8) Notwithstanding the requirements of 205 CMR 146.10 (2) above, if a gaming licensee offers multiple action blackjack in accordance with the requirements of 205 CMR 147.XXX, the blackjack layout shall contain and shall contain, at a minimum:

- (a) Three separate designated betting areas for each player position at the table with each separate betting area being numbered one through three, provided, however, that the number of player positions at each table shall not exceed six;
- (b) A separate designated area on the layout, for each player position, for the placement of insurance wagers;
- (c) A separate designated area on the layout, for each player position, for the placement of double down wagers;
- (d) A separate designated area on the layout, for each player position, for the placement of split pair wagers; and
- (e) Three separate areas designated for the placement of the dealer's original face up card with each separate area being numbered one through three.

(9) In order to collect the cards at the conclusion of a round of play as required by 205 CMR 147.XXX and at such other times as provided in the regulations of the Commission, each blackjack table shall have a discard rack securely attached to the top of the dealer's side of the table. The height of each discard rack shall equal the height of the cards, stacked one on top of the other, contained in the total number of decks that are to be used to play the game at that table; provided, however, that a taller discard rack may be used if such rack has a distinct and clearly visible mark on its side to show the exact height for a stack of cards equal to the total number of cards contained in the number of decks to be used to play the game at that table. Whenever a double shoe is used at a blackjack table, the same number of decks shall be used in each side of the double shoe, and the height and marking requirements as set forth above for that table's discard rack shall be determined from the number of decks used in one side of the shoe.

(10) If a gaming licensee offers a progressive blackjack wager pursuant to 205 CMR 147.XXX, the blackjack layout shall be approved by the IEB. In addition, the blackjack layout shall have designated areas for the placement of the progressive blackjack wager and shall contain the following equipment in addition to the requirements of 205 CMR 149.XXX:

- (a) A separate acceptor device for the placement of a progressive wager. Each acceptor device shall have a light which shall illuminate upon insertion and acceptance of a gaming chip;
- (b) A method to ensure that only one progressive blackjack wager is made per person, per round of play;
- (c) A device or method to indicate that a progressive blackjack wager has been won;

(d) A sign describing the winning wagers and the payouts to be awarded on winning progressive blackjack wagers at a location near the table;

(e) A table controller panel which shall be equipped with a "lock-out" button which, once activated by the dealer, will prevent any player from depositing a gaming chip in the acceptor device; and

(f) A mechanical, electrical or electronic table inventory return device which shall permit all gaming chips deposited into the acceptor devices referenced in (j)1 above to be collected and immediately returned to a designated area within the table inventory container prior to the dealing of a hand. The table inventory return device shall be designed and constructed to contain any feature the IEB may require to maintain the security and integrity of the game. The procedures for the operation of all functions of the table inventory return device shall be submitted to the IEB.

(11) If a gaming licensee offers a blackjack bonus wager pursuant to 205 CMR 147.XXX, the blackjack layout shall have designated areas for the placement of the blackjack bonus wager, and shall contain the following equipment:

(a) A table controller located in an area of the table or the pit which area shall be secured by dual locking mechanisms, which are unique from one another. One locking mechanism shall be maintained and controlled by a gaming establishment security supervisor, and the second locking mechanism shall be maintained and controlled by a gaming establishment supervisor;

1. One table controller shall control no more than four blackjack tables. Procedures for the operation, security and control of the table controller shall be submitted to the IEB prior to implementation;

2. Whenever it is required that a table controller or any device connected thereto which may affect the operation of the blackjack bonus system be accessed or opened, certain information shall be recorded on a form entitled "Controller Access Authorization Log," which shall include, at a minimum, the date, time, purpose of accessing or opening the controller or device, and the signature of the authorized employee accessing or opening the machine or device. The Controller Access Authorization Log shall be maintained in the same secured location as the table controller, and shall have recorded thereon a sequential number and the manufacturer's serial number or the asset number of the controller;

(b) A blackjack bonus button, which shall be located at the table by the dealer, and used by each player with a winning blackjack bonus wager to generate a

bonus amount to be won by that player. The blackjack bonus button shall be attached to the table in a manner that will enable the dealer to place the blackjack bonus button directly in front of each winning player;

(c) A blackjack bonus display, which shall be located at the table and shall display the amount of the winning blackjack bonus on both sides of the device, so that the amount is visible to all players, the dealer and supervisory personnel; and

(d) A sign containing the amount of the blackjack bonus wager, as well as the minimum and maximum possible blackjack bonus amounts to be awarded, pursuant to 205 CMR 147.XXX.

(12) If a gaming licensee offers a streak wager pursuant to 205 CMR 147.XXX, the blackjack table shall also contain:

(a) A layout which shall include, at a minimum:

1. Four additional separate designated betting areas for each of the player positions at the table, which areas shall be numbered “2” through “5”; and
2. The inscriptions “Two consecutive wins pays 3 to 1,” “Three consecutive wins pays 7 to 1,” “Four consecutive wins pays 17 to 1,” and “Five consecutive wins pays 37 to 1”; and

(b) The following equipment:

1. Marker buttons (“lammers”) with the gaming licensee’s name or logo, to indicate how many consecutive blackjack hands a patron has won. A gaming licensee may use another device or method approved by the IEB; and
2. A sign containing the permissible amount of the streak wager, posted pursuant to 205 CMR 147.XXX.

(13) If a gaming licensee offers a match-the-dealer wager pursuant to 205 CMR 147.XXX, the blackjack table shall contain:

(a) A layout which shall include, at a minimum, an additional designated betting area bearing the inscription “Match-the-Dealer” at each of the player positions at the table; and

(b) A sign approved by the IEB setting forth the payout odds for the match-the-dealer wager.

(14) If a gaming licensee offers the 6 to 5 blackjack variation:

(a) The layout shall have imprinted on it, at a minimum, the following inscriptions:

1. Blackjack pays 6 to 5;
2. Dealer must draw to 16 and soft 17; and
3. Insurance pays 2 to 1; and

(b) A notice shall be posted in accordance with 205 CMR 147.XXX indicating that all wagers shall be made in increments of \$5.00 as required by 205 CMR 147.XXX.

(15) If a gaming licensee offers the twenty point bonus wager pursuant to 205 CMR 147.XXX, the layout otherwise required by this section shall also include, at a minimum, an additional designated betting area for the twenty point bonus wager at each of the player positions at the table. The blackjack table shall also contain a sign setting forth the payout odds for the twenty point bonus wager.

(16) If a gaming licensee offers the option set forth in 205 CMR 147.XXX that requires the dealer to draw additional cards on a soft 17, the blackjack layout shall have imprinted on it, at a minimum, the following inscription instead of the inscription set forth in 205 CMR 136.10(3):

“Dealer must draw to 16 and soft 17 and stand on hard 17’s and all 18’s.”

(17) If a gaming licensee offers the optional bonus wager pursuant to 205 CMR 147.XXX, the layout otherwise required by this section shall include, at a minimum, an additional designated betting area for such wager at each of the player positions at the table. In addition, payout odds for the optional bonus wager shall be inscribed on the layout or posted on a sign at each such blackjack table.

(18) If a gaming licensee requires a hand fee, the approved layout otherwise required by this section shall include, at a minimum, an additional designated area at each player position for the placement of the hand fee.

(19) If a gaming licensee offers the in-between wager pursuant to 205 CMR 147.XXX, the layout otherwise required by this section shall also include, at a minimum, an additional designated betting area for the in-between wager at each of the player positions at the table. If not inscribed on the layout, the blackjack table shall also contain a sign setting forth the payout odds and the card rankings for the in-between wager.

146.10A: Three-card poker table; physical characteristics

- (1) Three-card poker shall be played at a table having betting positions for the players on one side of the table and a place for the dealer on the opposite side. Such betting positions shall not exceed nine in number depending on the size of the table.
- (2) A true-to-scale rendering and color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design. The layout for a three-card poker table shall contain, at a minimum:
  - (a) The name or trade name of the gaming licensee offering the game;
  - (b) A separate designated betting area at each betting position for the placement of "ante" wagers;
  - (c) A separate designated betting area located immediately in front of each ante wager betting area for the placement of "play" wagers;
  - (d) A separate designated betting area located immediately behind each ante wager betting area for the placement of "pair plus" wagers;
  - (e) If the gaming licensee offers the six card bonus wager authorized by 205 CMR 147.XXX, a separate designated betting area at each betting position for the placement of a six card bonus wager; and
  - (f) Inscriptions that advise patrons, in accordance with 205 CMR 147.XXX, of the payout odds for ante and play wagers, pair plus wagers, six card bonus wagers and ante bonuses and that "Dealer Plays with Queen High or Better".
- (3) Each three-card poker table shall have a drop box and a tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

146.10B: Spanish 21 table; physical characteristics

- (1) Spanish 21 shall be played at a table having betting positions for no more than six players on one side of the table and a place for the dealer on the opposite side.
- (2) A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design. The layout for a Spanish 21 table shall have imprinted thereon, at a minimum, the following:
  - (a) The name or trade name of the gaming licensee offering the game;
  - (b) A separate designated betting area at each betting position for the placement

of the following wagers:

1. The required Spanish 21 wager; and
2. An optional match-the-dealer wager;

(c) The following inscriptions:

1. "Blackjack Pays 3 to 2";
2. "Dealer Must Draw to 16 and Stand on All 17's;"
3. "Insurance Pays 2 to 1";

(d) The payout odds for each of the wagers listed in 205 CMR 147.XXX and .XXX; and

(e) The payout odds for the match-the-dealer wager, unless the odds are included in the sign required by 205 CMR 146.10B(3).

(3) A gaming licensee shall post a sign at each Spanish 21 table, which explains:

(a) That doubled down hands are not eligible for the additional payouts in 205 CMR 147.XXX;

(b) That doubled down hands and split hands are not eligible for the additional payouts in 205 CMR147.XXX; and

(c) The payout odds for the match-the-dealer wager, if those payout odds are not imprinted on the layout.

(4) Each Spanish 21 table shall have a drop box and a tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

(5) In order to collect the cards at the conclusion of a round of play as required by 205 CMR 147.XXX and at such other times as provided in the Commission regulations, each Spanish 21 table shall have a discard rack securely attached to the top of the dealer's side of the table. The height of each discard rack shall equal the height of the cards, stacked one on top of the other, contained in the total number of decks that are to be used in the dealing shoe at that table; provided, however, that a taller discard rack may be used if such rack has a distinct and clearly visible mark on its side to show the exact height for a stack of cards equal to the total number of cards contained in the number of decks to be used in the dealing shoe at that table.

(6) A Spanish 21 table may have attached to it, as approved, a card reader device which permits the dealer to read his or her hole card in order to determine if the dealer has a blackjack in accordance 205 CMR 147.XXX. If a Spanish 21 table has an approved card reader device attached to it, the floorperson assigned to the table shall inspect the card reader device at the beginning of each gaming day. The purpose of this inspection shall be to insure that there has been no tampering with the device and that it is in proper working order.

146.10C: Blackjack switch table; physical characteristics

(1) Blackjack switch shall be played at a table having betting positions for no more than five players on one side of the table and a place for the dealer on the opposite side.

(2) The layout for a blackjack switch table shall have imprinted thereon, at a minimum, the following:

(a) The name or trade name of the gaming licensee offering the game;

(b) Two adjacent designated betting areas at each betting position for the placement of the required two initial blackjack switch wagers;

(c) A separate designated area on the layout at each betting position for the placement of the optional match wager;

(d) The following inscriptions, unless they are included on the sign required by 205 CMR 146.10C(3):

1. "Blackjack pays 1 to 1";

2. "Insurance pays 2 to 1";

3. "Dealer must hit a soft 17"; and

4. "Dealer pushes on 22"; and

(e) The payout odds for the optional match wager, unless they are included on the sign required by 205 CMR 146.10C(3).

(3) A gaming licensee shall post a sign at each blackjack switch table, which shall include:

(a) A statement that, if more than one match occurs in a player's initial four cards, the match wager will only be paid once, using the highest payoff that occurs within those cards; and



(b) The payout odds for the optional match wager, if they are not imprinted on the layout.

(4) Each blackjack switch table shall have a drop box and a tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

(5) In order to collect the cards at the conclusion of a round of play as required by the Commission regulations, each blackjack switch table shall have a discard rack securely attached to the top of the dealer's side of the table. The height of each discard rack shall equal the height of the cards, stacked one on top of the other, contained in the total number of decks that are to be used in the dealing shoe at that table; provided however, that a taller discard rack may be used if such rack has a distinct and clearly visible mark on its side to show the exact height for a stack of cards equal to the total number of cards contained in the number of decks to be used in the dealing shoe at that table.

(6) A blackjack switch table may have attached to it a card reader device which permits the dealer to read his or her hole card in order to determine if the dealer has a blackjack. If a blackjack switch table has an approved card reader device attached to it, such device shall be inspected at the beginning of each gaming day, to insure that there has been no tampering with the device and that it is in proper working order.

146.11: Craps and mini-craps tables; physical characteristics

(1) Craps and mini-craps shall be played on an oblong table with rounded corners and high walled sides. A craps table shall not be larger than 14 feet in length. A mini-craps table shall be no longer than 9 1/2 feet in length, and shall have seating locations for a maximum of nine players.

(2) A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design. The layout for a craps or mini-craps table shall contain, at a minimum:

- (a) The name or trade name of the gaming licensee offering the game;
- (b) Specific areas designated for the placement of wagers as authorized by 205 CMR 147.XXX; and
- (c) The words "No call bets."

(3) Each craps and mini-craps table shall have a drop box and tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

(4) In addition to the requirements of 205 CMR 146.11 (2) above, if the fire bet in the game of craps is offered by a gaming licensee, the craps table shall include, at a minimum:

- (a) No more than 16 designated areas for the placement of fire bets, which areas shall be located around the perimeter of the layout, correspond to player positions at the table, and be sequentially numbered in a clockwise direction, with the area numbered "1" being located immediately to the left of the game personnel;
- (b) A designated area of the layout for the relocation and identification of all fire bets placed by players prior to the come out roll of a shooter, which area shall be located in front of the boxperson and contain numbered areas which correspond to the location of the numbered areas described in (d)1 above; and
- (c) The following information on the inside wall of the table, which information shall be visible to all player positions:
  1. The payout odds for four, five and six different (unique) points made;
  2. That fire bets shall only be accepted prior to a shooter's initial come out roll; and
  3. The wager limitations applicable to the fire bet.

146.12: Baccarat and mini-baccarat tables; physical characteristics

- (1) Baccarat-punto banco shall be played on a table having numbered places for 10 to 14 seated players.
- (2) Baccarat-chemin de fer shall be played on a table having numbered places for nine to 14 seated players.
- (3) Mini-baccarat shall be played at a table having on one side places for a maximum of nine seated players, and on the opposite side a place for the dealer; provided however, that unless the cards are changed after each shoe, a mini-baccarat table using the dealing procedure in 205 CMR 147 . XXX shall have places for a maximum of six seated players. The dimensions of a mini-baccarat table shall be submitted to the IEB.
- (4) A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB office, prior to utilizing the layout design. The layout for a baccarat or mini-baccarat table shall contain, at a minimum:
  - (a) The name or trade name of the gaming licensee offering the game;

(b) For baccarat-punto banco and mini-baccarat layouts, specific areas designated for the placement of wagers on the "Banker's Hand," "Players Hand," and "Tie Hand";

(c) For baccarat-chemin de fer layouts, specific areas for the placement of the wagers authorized by 205 CMR 147.XXX and .XXX;

(d) For baccarat-punto banco and mini-baccarat layouts, the phrase "Tie Bets pay 8 to 1";

(e) Numbered areas that correspond to the seat numbers for the purpose of marking vigoris; provided, however, that the numbered areas are not required if:

1. For baccarat, the gaming licensee offers a no vigoris variation of the game in accordance with 205 CMR 147 .XXX or .XXX;
2. For mini-baccarat, the gaming licensee only charges vigoris in accordance with the provisions of 205 CMR 147 .XXX or offers a no vigoris variation of the game in accordance with the provisions of 205 CMR 147 .XXX or .XXX;

(f) An area designated for the placement of cards for the "Player's" and "Banker's" hands;

(g) If a gaming licensee offers the optional total card wagers in the games of baccarat-punto banco and mini-baccarat;

1. Three specific areas at each player position designated for the placement of total card wagers on a total of four cards, five cards and six cards, and identified with the numerals "4," "5," and "6," respectively, which areas shall be located between the areas designated for the placement of wagers on a "Tie Hand" and the "Banker's Hand"; and
2. An inscription on the layout indicating the payout odds for all total card wagers;

(h) If a gaming licensee offers the optional bonus wager authorized by 205 CMR 147.XXX or .XXX:

1. Two separate areas at each betting position designated for the placement of the optional bonus wager which shall be located, from the player's perspective, immediately to the right of the areas designated for the placement of wagers on the "Banker's Hand" and "Player's Hand"; and

2. An inscription identifying the payout odds for the optional bonus wager unless the gaming licensee chooses to comply with (g) below; and

(i) If a gaming licensee offers the no vigorish variation of baccarat-punto banco or mini-baccarat pursuant to 205 CMR 147.XXX or .XXX, respectively:

1. An area at each player position designated for placement of the “dragon 7” wager and inscribed with “dragon 7,” which area shall be located on the right side of the area designated for the placement of a “Tie Hand” wager when viewed by the player; and

2. An inscription identifying the payout odds for the dragon 7 wager unless the gaming licensee chooses to comply with 205 CMR 146.12 (8) below.

(5) If marker buttons are used for the purpose of marking vigorish, these marker buttons shall be placed in the table inventory float container or in a separate rack designed for the purpose of storing marker buttons and such rack shall be placed in front of the table inventory float container during gaming activity.

(6) Each baccarat and mini-baccarat table shall have a drop box and a tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

(7) If the payout odds are not inscribed on the layout as provided by 205 CMR 146.12(4)(h)2, a sign shall be posted at each baccarat-punto banco and mini-baccarat table offering the optional bonus wager authorized by 205 CMR 147.XXX or .XXX listing the payout odds for the optional bonus wager.

(8) If the payout odds are not inscribed on the layout as provided by 205 CMR 146.12(4)(h)2, a sign shall be posted at each baccarat-punto banco and mini-baccarat table offering the dragon 7 wager authorized by 205 CMR 147.XXX or .XXX, respectively, indicating the payout odds for the dragon 7 wager.

146.13: Big Six Wheel and layout; physical characteristics

(1) Gaming at Big Six shall be conducted at a wheel circular in shape and no less than five feet in diameter. The rim of the wheel shall be divided into 54 equally spaced sections with 23 sections containing a \$1.00 bill, 15 sections containing a \$2.00 bill, eight sections containing a \$5.00 bill, four sections containing a \$10.00 bill, two sections containing a \$20.00 bill, one section containing a picture of a flag or the name or logo of the gaming licensee, and one section containing a picture of a joker, each of which sections shall be covered with glass.

(2) The sections required by (a) above shall be arranged clockwise around the rim of the wheel in the following order: joker, \$1, \$2, \$1, \$5, \$2, \$1, \$10, \$1, \$5, \$1, \$2, \$1, \$20, \$1, \$2, \$1, \$5, \$2, \$1, \$10, \$1, \$2, \$5, \$1, \$2, \$1, flag, \$2, \$5, \$2, \$1, \$2, \$1, \$10, \$1, \$5, \$1, \$2, \$1, \$20, \$1, \$2, \$1, \$5, \$2, \$1, \$10, \$1, \$2, \$5, \$1, \$2, and \$1.

(3) Each section of the Big Six Wheel shall also display the payout odds for the wager contained therein, pursuant to 205 CMR 147.XXX.

(4) Each Big Six Wheel table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of, the dealer.

(5) A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design. The layout for a Big Six Wheel table shall have imprinted thereon, at a minimum, the following:

- (a) The name or trade name of the Gaming licensee offering the game;
- (b) Spaces which shall be used by patrons to place their wagers, and which shall contain:
  - 1. Depictions of a \$1.00 bill, \$2.00 bill, \$5.00 bill, \$10.00 bill, and \$20.00 bill, or numbers representing those monetary denominations;
  - 2. A flag or the name or logo of the gaming licensee, as it appears on the Big Six Wheel; and
  - 3. A joker; and
- (c) The payout odds for each of the permitted wagers.

146.13A: Sic bo table; sic bo shaker; physical characteristics

(1) Each sic bo table shall have a drop box and tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

(2) Each sic bo table shall have an electrical device which, when the numeric value of each die has been entered, shall cause the winning combinations to be illuminated. The sic bo table shall have an area, which depicts all permissible wagers pursuant to 205 CMR 147.XXX. Each combination shall have the capability to be illuminated, if it is a winning combination, after the numeric value of each die has been entered into the electrical device by the dealer.

(3) A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design. The layout for

a sic bo table shall contain, at a minimum:

- (a) The name or trade name of the gaming licensee; and
  - (b) Specific areas designated for the placement of the wagers authorized by 205 CMR 147.XXX; and
  - (c) The payout odds currently being offered in accordance with 205 CMR 147.XXX.
- (4) Sic bo shall be played with a sealed container, to be known as a "sic bo shaker," which shall be used to shake the dice in order to arrive at the winning combinations.
- (a) A manual sic bo shaker shall be designed and constructed to contain any feature the IEB may require to maintain the integrity of the game and shall, at a minimum, adhere to the following specifications:
    - 1. The sic bo shaker shall have a compartment to secure the three dice required by 205 CMR 147.XXX and a separate cover which conceals the dice while the dealer is shaking the sic bo shaker. The compartment to secure the three dice shall be transparent and the cover which conceals the dice shall be opaque;
    - 2. The sic bo shaker shall have the capability of being sealed or locked in order to ensure the integrity of the dice contained therein;
    - 3. The sic bo shaker shall have the name or trade name of the gaming licensee or identifying logo imprinted or impressed thereon; and
    - 4. The sic bo shaker shall be secured to the sic bo table when the table is open for gaming activity.
  - (b) An automated sic bo shaker may be used in the game of sic bo, provided that:
    - 1. The shaker meets the requirements of 205 CMR 146.13A(4)(a), except that a separate opaque cover shall not be used; and
    - 2. The shaker, its location on the sic bo table and the procedures for shaking the dice are submitted to IEB.

146.13B: Pai gow poker table; pai gow poker shaker; physical characteristics; computerized random number generator

(1) Pai gow poker shall be played at a table having on one side places for the players and on the opposite side a place for the dealer.

(2) A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design. The layout for a pai gow poker table shall contain, at a minimum, the following:

- (a) Six separate designated betting areas for the players at the table with each area being numbered one through six;
- (b) Two separate areas located below each betting area which shall be designated for the placement of the high and second highest or low hands of that player;
- (c) If a gaming licensee offers the optional bonus wager and/or insurance wager authorized by 205 CMR 147.XXX :
  - 1. A separate area for each player, located to the right of the numbered betting areas, designated for the placement of a bonus wager by each player;
  - 2. A separate area for each player, located to the left of the numbered betting areas, designated for the placement of an insurance wager by each player;
  - 3. Notice of signage for payout odds for the bonus wager and insurance wager and payout amounts for the "envy bonus" as defined at 205 CMR 147.XXX ; and
  - 4. The inscription indicating the payout limit per round of play for the bonus wager and the insurance wager established by the gaming licensee pursuant to 205 CMR 147.XXX or a generic inscription indicating the wagers are subject to the posted payout limit;
- (d) If the gaming licensee offers the additional wager authorized by 205 CMR 147.XXX , a separate area for each player, designated for the placement of that additional wager by each player, as well as the payout odds for the additional wager;
- (e) Two separate areas designated for the placement of the high and second highest or low hands of the dealer;
- (f) The name or trade name of the gaming licensee offering the game;

(g) If the gaming licensee offers the optional bonus wagers authorized by 205 CMR 147.XXX, separate areas for each player, designated for the placement of the three-card bonus wager and seven-card bonus wager; and

(h) If the gaming licensee offers the imperial pai gow bonus wager authorized by 205 CMR 147.XXX:

1. A separate area for each player, located to the right of the area for the placement of a player's pai gow wager, designated for the placement of the imperial pai gow bonus wager; and
2. An inscription or notice of signage, as approved by the Commission, for payout odds for both the "player hand bonus" and "banker hand bonus" as defined in 205 CMR 147.XXX.

(3) If a gaming licensee offers the optional bonus wager and/or the insurance wager authorized by 205 CMR 147.XXX or the optional bonus wager authorized by 205 CMR 147.XXX, a sign shall be posted at each pai gow poker table offering any of these wagers that explains the following:

(a) For the optional bonus wager and the insurance wager authorized by 205 CMR 147.XXX, the details of the payout limit established pursuant to 205 CMR 147.XXX and, if a generic inscription is used pursuant to (b)3iv above, established payout limit; or

(b) For the optional wagers authorized by 205 CMR 147.XXX, the payout odds for each bonus wager.

(4) Each pai gow poker table shall have a drop box and tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

(5) Pursuant to 205 CMR 147.XXX, pai gow poker may be played with a container, to be known as a "pai gow shaker," which shall be used to shake three dice before each hand of pai gow poker is dealt in order to determine the starting position for the dealing or delivery of the cards. The pai gow shaker shall be designed and constructed to contain any feature the IEB may require to maintain the integrity of the game and shall, at a minimum, adhere to the following specifications:

(a) The pai gow poker shaker shall be capable of housing three dice and shall be designed so as to prevent the dice from being seen while the dealer is shaking it; and

(b) The pai gow poker shaker shall have the name or identifying logo of the gaming licensee imprinted or impressed thereon.



(6) As an alternative to using the shaker and dice described in 205 CMR 146.13B(5), a gaming licensee may, unless the gaming licensee offers the optional bonus wagers authorized by 205 CMR 147.XXX, determine the starting position for the dealing or delivery of the cards in pai gow poker by utilizing a computerized random number generator that automatically selects and displays a number from 1 through 7 inclusive. Any computerized random number generator proposed for use by a gaming licensee shall be approved by the Commission.

(7) If a gaming licensee offers a progressive payout wager pursuant to 205 CMR 147.XXX, the pai gow poker table shall include the following features:

- (a) A separate acceptor device mounted for the placement of the progressive wager, which acceptor device shall have a light that illuminates upon the insertion and acceptance of a gaming chip;
- (b) A sign describing each winning progressive payout wager and the payout to be awarded therefore;
- (c) A table controller panel located in an area of the table as approved by the IEB and which shall be equipped with a "lock-out" button that, once activated by the dealer as set forth in 205 CMR 147.XXX, shall prevent any player from depositing a gaming chip in the acceptor device; and
- (d) A mechanical, electrical or electronic table inventory return device which shall permit all gaming chips deposited into the acceptor device referenced in 205 CMR 146.13(7)(a) to be collected and immediately returned to a designated area within the table inventory container prior to the dealing of a hand. The table inventory return device shall be designed and constructed to contain any feature the may require to maintain the security and integrity of the game. The procedures for the operation of all functions of the table inventory return device shall be submitted to Commission.

(8) If a gaming licensee offers the dragon's eye variation of pai gow poker pursuant to 205 CMR 147.XXX, in addition to the requirements set forth in 205 CMR 146.13B(2), the layout shall include six separate betting areas at each player position for the placement of the following six optional wagers:

- (a) An even wager;
- (b) An odd wager;
- (c) A match wager;

- (d) A double wager;
  - (e) A triple wager; and
  - (f) A dice bonus wager.
- (9) If a gaming licensee offers the "dealer queen's dragon" wager, "dynasty bonus" wager, "protection" wager, and the "red/black" wager authorized by 205 CMR 147.XXX then the following shall apply:
- (a) A separate area for each player, located above the numbered betting areas, designated "queen's dragon" for the placement of the "dealer queen's dragon" wager.
  - (b) A separate area for each player, located to the right of the numbered betting areas, designated "dynasty bonus" for the placement of the "dynasty bonus" wager.
  - (c) A separate area for each player, located to the left of the numbered betting areas, designated "P" for the placement of the "protection" wager.
  - (d) Two separate areas for each player, one located to the right of the "queen's dragon" betting area and colored red and the other located to the left of the "queen's dragon" betting area and colored black, for the placement of the "red/black" wager.
  - (e) Notice of signage, as approved by the IEB, providing the payout odds for the "dealer queen's dragon" wager, "dynasty bonus" wager, "protection" wager, "red/black" wager, and payout amounts for the "envy bonus" as defined in 205 CMR 147.XXX.
  - (f) Inscriptions indicating the aggregate payout limit per round of play for the "dealer queen's dragon" wager, the "dynasty bonus" wager, the "protection" wager, and the "red/black" wager established by the gaming licensee pursuant to 205 CMR 147.XXX or a generic inscription indicating the wagers are subject to the posted payout limit.

146.13C: Pai gow table; pai gow shaker; physical characteristics

- (1) Pai gow shall be played at a table having on one side places for the players and on the opposite side a place for the dealer.

(2) A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design. The layout for a pai gow table shall contain, at a minimum, the following:

- (a) Six separate designated betting areas for the players at the table with each area being numbered one through six;
- (b) A separate area, located to the left of the dealer, for the placement of four tiles which shall be referred to as the "dead hand"; and
- (c) The name or trade name of the gaming licensee offering the game.

(3) Each pai gow table shall have a drop box and tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

(4) Pai gow shall be played with a container, to be known as a "pai gow shaker," which shall be used to shake three dice before each hand of pai gow is dealt in order to determine the starting position for the dealing of the pai gow tiles. The pai gow shaker shall be designed and constructed to contain any feature the IEB may require to maintain the integrity of the game and shall, at a minimum, adhere to the following specifications:

- (a) The pai gow shaker shall be capable of housing three dice and shall be designed so as to prevent the dice from being seen while the dealer is shaking it; and
- (b) The pai gow shaker shall have the name or identifying logo of the gaming licensee imprinted or impressed thereon.

(5) If a gaming licensee offers the dragon's eye variation of pai gow pursuant to 205 CMR 147.XXX, in addition to the requirements set forth in 205 CMR 146.13C(2), the layout shall include:

- (a) Five separate betting areas at each player position for the placement of the following five optional wagers:
  1. An even wager;
  2. An odd wager;
  3. A match wager;
  4. A double wager; and
  5. A triple wager; and

- (b) A separate location to the left of dealer's table inventory container with six areas for the dealer's placement of player dice bonus wagers, which areas are designated with the numeric player position at the table.

146.13D RESERVED

146.13E: Poker table; physical characteristics

- (1) Poker shall be played on a table which is oval in shape and which has places for up to 11 players and a dealer. Each poker table shall be designed and constructed to contain any feature the IEB may require to maintain the integrity of the game. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.
- (2) The layout for a poker table shall contain, at a minimum:
  - (a) The name or trade name of the gaming licensee offering the game; and
  - (b) A designated holding area located to the right of the dealer for the collection of the rake prior to final placement of the rake in the table inventory container.
- (3) Each poker table shall have a designated area for the placement of at least one deck of cards. This area may be part of the table inventory container.
- (4) Each poker table shall have a drop box and a tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer, in locations approved by the IEB.
- (5) If a gaming licensee offers a bad beat payout at a designated poker table, a transparent locked box or container shall be attached to the table on the same side as the drop box and shall be used to hold the pot contributions that fund the bad beat payout.

146.13F: Double down stud table; physical characteristics

- (1) Double down stud shall be played on a table having seven places on one side for the players, and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.
- (2) The layout for a double down stud table contain, at a minimum:
  - (a) The name or trade name of the gaming licensee offering the game;

- (b) Seven separate designated betting areas for the placement of wagers by the players;
  - (c) A separate designated area located below each betting area for the placement of double down wagers; and
  - (d) A separate designated area located directly in front of the table inventory container for the placement of the dealer's common cards.
- (3) The following inscription shall be conspicuously printed on each double down stud layout: "Payout Limit of \$100,000 Per Hand." A gaming licensee shall post a sign at each double down stud table explaining the details and the ramifications of this payout limit.
- (4) Each double down stud table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

146.13G: Caribbean stud poker table; physical characteristics

- (1) Caribbean stud poker shall be played on a table having betting positions for six or seven players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB office, prior to utilizing the layout design.
- (2) The layout for a Caribbean stud poker table shall contain, at a minimum:
- (a) The name or trade name of the gaming licensee;
  - (b) A separate designated betting area at each betting position for the placement of "ante" wagers;
  - (c) A separate designated betting area located immediately behind each ante betting area for the placement of "bet" wagers; and
  - (d) The inscriptions "Payout Limit of \$5,000 per Hand on Bet Wagers" and "Bet Wager Void Unless Dealer has Ace/King or Better."
- (3) A sign shall be posted at each Caribbean stud poker table that explains, the details of the \$5,000 payout limit authorized by 205 CMR 147.XXX.
- (4) Each Caribbean stud poker table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

(5) Each Caribbean stud poker table shall also have an approved table game progressive payout wager system for the placement of progressive wagers. A table game progressive payout wager system shall include, without limitation:

- (a) A wagering device at each betting position that acknowledges or accepts the placement of the progressive wager;
- (b) A control device that controls or monitors the placement of progressive wagers at the gaming table, including a mechanism, such as a “lock-out” button, that prevents the recognition of any progressive wager that a player attempts to place after the dealer has announced “No more bets”;
- (c) One or more devices that meet the requirements of the Commission regulations for progressive wagers and payouts at table games;
- (d) Any other equipment or device that contributes to the efficient operation or integrity of the game; and
- (e) Written procedures for the operation and use of the system and its components.

146.13H: Let it ride poker table; physical characteristics

- (1) Let it ride poker shall be played on a table having betting positions for seven players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.
- (2) The layout for a let it ride poker table shall contain, at a minimum:
  - (a) The name or trade name of the gaming licensee;
  - (b) Three separate designated betting areas at each betting position for the placement of wagers in accordance with 205 CMR 147.XXX;
  - (c) A separate designated area at each betting position for the placement of the cards of each player;
  - (d) A separate designated area located directly in front of the table inventory container for the placement of the community cards;
  - (e) The payout odds for all authorized wagers, including the let it ride bonus wager authorized by 205 CMR 147.XXX and the three-card bonus wager

authorized by 205 CMR 147.XXX, if the gaming licensee offers either optional wager;

(f) The inscription indicating the payout limit per hand established by the gaming licensee pursuant to 205 CMR 147.XXX or a generic inscription indicating the game is subject to the posted payout limit; and

(g) If a gaming licensee offers the optional three-card bonus wager authorized by 205 CMR 147.XXX, a separate designated area at each betting position for the placement of the three-card bonus wager.

(3) A sign shall be posted at each let it ride poker table that explains the details of the payout limit established pursuant to 205 CMR 147.XXX and if a generic inscription is used pursuant to (b) above, the sign shall also contain the established payout limit.

(4) Each let it ride poker table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

(5) If a gaming licensee offers the let it ride bonus wager authorized by 205 CMR 147.XXX, the let it ride poker table shall also include the following equipment or devices, which shall be submitted to and approved by the IEB, together with the procedures for their operation and use:

(a) A wagering device at each betting position that acknowledges or accepts the placement of the let it ride bonus wager;

(b) A control device that controls or monitors the placement of let it ride bonus wagers at the gaming table, including a mechanism that prevents the recognition of any let it ride bonus wager that a player attempts to place after the dealer has announced "No more bets"; and

(c) Any other equipment or device that contributes to the efficient operation or integrity of the game.

146.13I: Mini-dice table; mini-dice dice shaker; physical characteristics

(1) Mini-dice shall be played on a table having betting positions for six or seven players on one side and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB office, prior to utilizing the layout design.

(2) The layout for a mini-dice table shall contain, at a minimum:

(a) The name or trade name of the gaming licensee offering the game;

(b) A separate designated betting area at each betting position for the placement of the following wagers:

1. Any 7;
2. Over 7;
3. Under 7; and
4. Individual "place" wagers of 4, 5, 6, 8, 9, and 10;

(c) A separate betting area, known as "the field," located directly in front of the dealer for the placement of field wagers of 2, 3, 4, 9, 10, 11, and 12; and

(d) The payout odds for all authorized wagers.

(3) Each mini-dice table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

(4) Mini-dice shall be played with a sealed container, known as a "mini-dice shaker," which shall be used to shake the dice in order to arrive at the winning combinations. The shaker shall be designed and constructed to contain any feature the IEB may require to maintain the integrity of the game, and, at a minimum, shall:

- (a) Have a transparent compartment to secure the two dice required by 205 CMR 147.XXX , and a separate opaque cover that conceals the dice while the dealer or player is shaking the shaker;
- (b) Have the capability of being sealed or locked to ensure the integrity of the dice contained therein; and
- (c) Have the name or trade name of the gaming licensee or its identifying logo imprinted or impressed thereon.

146.13J: Fast action hold 'em table; physical characteristics

(1) Fast action hold 'em shall be played at a table having betting positions for the players on one side of the table and a place for the dealer on the opposite side. Such betting positions shall not exceed nine in number depending on the size of the table. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB office, prior to utilizing the layout design.

(2) The cloth covering the fast action hold 'em table (the layout) shall have imprinted



thereon, at a minimum, the following:

- (a) The name or trade name of the gaming licensee;
  - (b) A separate designated betting area at each betting position;
  - (c) A separate area located immediately to the right of each betting area designated for the placement of cards to be discarded by a player pursuant to 205 CMR 147.XXX;
  - (d) Five separate areas aligned in a row in the center of the layout for placement of the five community cards; and
  - (e) An inscription indicating that a “natural” pays five to one.
- (3) Each fast action hold ’em table shall have a drop box and a tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

146.13K: Casino war table; physical characteristics

- (1) Casino war shall be played at a table having betting positions for no more than seven players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB office, prior to utilizing the layout design.
- (2) The layout for a Casino war table shall have imprinted thereon, at a minimum, the following:
  - (a) The name or trade name of the gaming licensee;
  - (b) A separate designated betting area at each betting position for the placement of initial and war wagers;
  - (c) A separate designated betting area for the placement of tie wagers; and
  - (d) The payout odds for a tie wager and war wager.
- (3) Each Casino war table shall have a drop box and a tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

146.13L: Colorado hold ’em poker table; physical characteristics

- (1) Colorado hold ’em poker shall be played at a table having betting positions for six or seven players on one side of the table and a place for the dealer on the opposite side. A

true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB office, prior to utilizing the layout design.

(2) The cloth covering the Colorado hold 'em poker table (the layout) shall have imprinted thereon, at a minimum, the following:

- (a) The name or trade name of the gaming licensee;
- (b) A separate designated betting area at each betting position for ante and bet wagers, and if a gaming licensee offers a bonus wager pursuant to 205 CMR 147.XXX, a separate designated betting area for the bonus wager;
- (c) A separate area located immediately to the left of each betting area designated for the placement of the card to be discarded by a player pursuant to 205 CMR 147.XXX or .XXX;
- (d) Three separate areas aligned in a row in the center of the layout for placement of the three community cards; and
- (e) The payout odds for all winning authorized wagers, including an "immediate winner" as defined at 205 CMR 147.XXX.

(3) Each Colorado hold 'em poker table shall have a drop box and a tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.

146.13M: Boston 5 stud poker table; physical characteristics

(1) Boston 5 stud poker shall be played on a table having positions for six players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB office, prior to utilizing the layout design.

(2) The layout for a Boston 5 stud poker table shall contain, at a minimum:

- (a) The name or trade name of the gaming licensee;
- (b) A separate designated betting area at each betting position for the placement of ante wagers;
- (c) A separate designated area shall be located immediately to the right of each ante betting area for the placement of first wagers;
- (d) A separate designated area shall be located immediately to the right of each first wager betting area for the placement of second wagers;

(e) A separate designated area shall be located immediately above each ante betting area for the placement of optional bonus wagers; and

(f) Notice of signage for payout odds for all authorized wagers.

(3) A sign shall be posted at each Boston 5 stud poker table that lists the payout odds for all authorized wagers.

(3) Each Boston 5 stud poker table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

146.13N: Double cross poker table; physical characteristics

(1) Double cross poker shall be played on a table having positions for seven players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for a double cross poker table shall contain at a minimum:

(a) The name or trade name of the gaming licensee;

(b) A separate designated betting area at each betting position for the placement of the ante wager;

(c) Four separate designated betting areas at each betting position for the placement of raise wagers, with one raise wager area located to the left of the ante betting area, one raise wager area located to the right of the ante betting area, one raise wager area located above the ante betting area and one raise wager area located below the ante betting area, so that the ante betting area and the four raise wager areas, when viewed from above, form the shape of a cross;

(d) A separate designated area at each betting position for the placement of a three-card wager, located to the right of the designated areas for the placement of ante and raise wagers;

(e) A separate designated area, located between the table inventory container and the player betting areas on the right hand side of the dealer, for the placement of the five community cards in the same type of cross formation created by the five wager areas described in (b)2 and 3 above;

(f) A separate designated area, located between the table inventory container and the player betting areas on the left hand side of the dealer, for the placement of the

dealer's two cards; and

(g) An inscription identifying the payout odds for all authorized wagers or the sign required in (c) below.

(3) If the payout odds are not inscribed on the layout as provided in (b)7 above, a sign identifying the payout odds for all authorized wagers shall be posted at each double cross poker table.

(4) Each double cross poker table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

146.13O: Double attack blackjack table; physical characteristics

(1) Double attack blackjack shall be played on a table having positions for six or seven players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB office, prior to utilizing the layout design.

(2) The layout for a double attack blackjack table shall contain, at a minimum:

(a) The name or trade name of the gaming licensee; and

(b) Separate designated betting areas at each betting position for the placement of the initial wager, the double attack wager, and the optional bonus wager.

(3) The following inscriptions shall appear on the double attack blackjack layout:

(a) Blackjack pays 1 to 1;

(b) Dealer must draw to 16, and stand on all 17's; and

(c) Insurance pays 5 to 2.

(4) Payout odds for the optional bonus wager authorized by 147 - 26.6 shall be inscribed on the layout or posted on a sign at each double attack blackjack table.

(5) Each double attack blackjack table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

146.13P: Four-card poker table; physical characteristics

(1) Four-card poker shall be played on a table having positions for no more than seven players on one side of the table and a place for the dealer on the opposite side. A true-to-

scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for a four-card poker table shall contain at a minimum:

- (a) The name or trade name of the gaming licensee;
- (b) Separate designated betting areas at each betting position for the placement of the ante wager and the play wager;
- (c) Separate designated betting areas at each betting position for the placement of the aces up wager; and
- (d) An inscription identifying the payout odds for all authorized wagers or the sign required in 205 CMR 146.13P(3).

(3) If payout odds are not inscribed on the layout as provided in 205 CMR 146.13P92)(d), a sign identifying the payout odds for all authorized wagers shall be posted at each four-card poker table.

(4) Each four-card poker table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

146.13Q: Texas hold 'em bonus poker table; physical characteristics

(1) Texas hold 'em bonus poker shall be played on a table having positions for six players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for a Texas hold 'em bonus poker table shall contain, at a minimum:

- (a) The name or trade name of the gaming licensee;
- (b) A separate designated betting area at each player position for the placement of ante wagers;
- (c) Three separate designated areas at each player position for the placement of flop, turn and river wagers, which areas shall be located immediately above the ante betting area as viewed by a player;
- (d) A separate designated area at each player position for the placement of an optional bonus wager, which area shall be located immediately above and to the right of the flop wager betting area as viewed by a player;

- (e) A separate designated area for the placement of the five community cards, which area shall be located in the center of the table between the table inventory container and the player betting areas;
  - (f) A separate designated area for the placement of the dealer's two cards, which area shall be located between the table inventory container and the designated area for the community cards described in (b)5 above; and
  - (g) An inscription indicating that an ante wager shall receive a payout if a winning hand has a qualifying rank, as elected by the gaming licensee, of straight or higher or flush or higher.
- (3) A sign that lists the payout odds for all authorized wagers shall be posted at each Texas hold 'em bonus poker table.
- (4) Each Texas hold 'em bonus poker table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

146.13R: Flop poker table; physical characteristics

- (1) Flop poker shall be played on a table having positions for nine players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.
- (2) The layout for a flop poker table shall contain, at a minimum:
- (a) The name or trade name of the gaming licensee;
  - (b) Three separate designated betting areas at each player position for the placement of ante, pot and flop wagers, with the pot wager area closer to the dealer than the ante and flop wager areas;
  - (c) An arc extending across all player positions with the areas designated for players' pot wagers on the side of the arc closer to the dealer and with the areas designated for players' ante and flop wagers on the side of the arc farther from the dealer;
  - (d) A designated area at each player position for the placement of player cards located between the designated areas for the placement of the ante wager and the flop wager;
  - (e) A designated area at the center of the gaming table for the placement of the

three community cards;

(f) A designated area at the center of the gaming table for the placement of collected pot wagers, which area shall be located farther from the dealer than the designated area described in (b)5 above; and

(g) Unless the gaming licensee complies with 205 CMR 146.13R(3), an inscription listing the payout odds for ante and flop wagers and indicating that the highest ranking hand wins all pot wagers.

(3) If the information required by 205 CMR 146.13R(2)(g) is not inscribed on the layout, a sign shall be posted at each flop poker table that lists the payout odds for ante and flop wagers and indicating that the highest ranking hand wins all pot wagers.

(4) Each flop poker table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of, the dealer.

(5) In addition to the requirements of 205 CMR 13R(2), if a gaming licensee offers the three-card bonus wager, the flop poker table shall include a designated betting area at each player position for the placement of the three-card bonus wager. The flop poker table shall also contain a sign setting forth the payout odds for the three-card bonus wager.

146.13S: Two-card joker poker table; physical characteristics

(1) Two-card joker poker shall be played on a table having positions for no more than seven players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for a two-card joker poker table shall contain, at a minimum:

(a) The name or trade name of the gaming licensee;

(b) Four separate designated betting areas at each player position for the placement of the ante wager, call wager, pair up wager and super flush bonus wager;

(c) An inscription identifying the payout odds for all authorized wagers unless the gaming licensee chooses to comply with 205 CMR 146.13S(3); and

(d) An inscription indicating that a joker may only be used to complete a pair unless the gaming licensee chooses to comply with 205 CMR 146.13S(4).

(3) If the payout odds are not inscribed on the layout as provided in 205 CMR 146.13S(2)(c), a sign identifying the payout odds for all authorized wagers shall be posted at each two-card joker poker table.

(4) If the layout is not inscribed with the information described in 205 CMR 146.13S(2)(d), a sign shall be posted at each two-card joker poker table indicating that a joker may only be used to complete a pair.

(5) Each two-card joker poker table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

146.13T: Asia poker table; Asia poker shaker; physical characteristics; computerized random number generator

(1) Asia poker shall be played at a table having places for six players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for an Asia poker table shall contain, at a minimum, the following:

(a) The name or trade name of the gaming licensee;

(b) Six separate designated betting areas for the players at the table with each area being numbered one through six;

(c) Three separate areas located below each betting area, which shall be designated for the placement of the high, medium and low hands of that player and configured with the high hand area farthest from the betting area, the low hand area closest to the betting area, and the medium hand area arrayed between the high hand area and the low hand area; and

(d) Three separate areas located in front of the table inventory container designated for the placement of the high, medium and low hands of the dealer and configured with the dealer's high hand area closest to the dealer, the dealer's low hand area farthest from the dealer, and the dealer's medium hand area arrayed between the dealer's high hand area and the dealer's low hand area.

(3) Each Asia poker table shall have a drop box and tip box attached to it on the same side of the gaming table as, but on opposite sides of the dealer.

(4) Pursuant to 205 CMR 147.XXX, Asia poker may be played with a container, to be known as an "Asia poker shaker," which shall be used to shake three dice before each hand of Asia poker is dealt in order to determine the starting position for the dealing or



delivery of the cards. The Asia poker shaker shall be designed and constructed to contain any feature the IEB may require to maintain the integrity of the game and shall, at a minimum, adhere to the following specifications:

- (a) The Asia poker shaker shall be capable of housing three dice and shall be designed so as to prevent the dice from being seen while the dealer is shaking it; and
- (b) The Asia poker shaker shall have the name or identifying logo of the gaming licensee imprinted or impressed thereon.

(5) As an alternative to using the shaker and dice described 205 CMR 146.13T(4), a gaming licensee may determine the starting position for the dealing or delivery of the cards in Asia poker by utilizing a computerized random number generator that automatically selects and displays a number from 1 through 7 inclusive. Any computerized random number generator proposed for use by a gaming licensee shall be approved by the IEB.

146.13U: Ultimate Texas hold ‘em table; physical characteristics

(1) Ultimate Texas hold ‘em shall be played on a table having positions for six players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for a ultimate Texas hold ‘em table shall contain, at a minimum:

- (a) The name or trade name of the gaming licensee;
- (b) Four separate designated betting areas at each player position for the placement of ante, blind, play and trips wagers, configured with the trips wager area closest to the dealer, the play wager area farthest from the dealer, the ante wager area arrayed between the trips wager area and the play wager area, and the blind wager area to the right of and separated from the ante wager area by an “=” symbol;
- (c) A separate designated area for the placement of the five community cards, which area shall be located in the center of the table between the table inventory container and the player betting areas;
- (d) A separate designated area for the placement of the dealer’s two cards, which area shall be located between the table inventory container and the designated area for the community cards described in 205 CMR 146.13U(2)(c);

(e) An inscription indicating that an ante wager shall push if the dealer has less than a pair; and

(f) Unless the gaming licensee complies 205 CMR 146.13U(3), an inscription at each player position describing the following:

1. The payout odds for blind and trips wagers;
2. That a blind wager shall not be paid unless the player's hand ranks higher than the dealer's hand; and
3. The rules governing the required amount of a play wager as a multiple of the player's ante wager (three or four times the ante if made prior to any community cards being dealt; two times the ante if made after the flop is dealt but prior to the final two community cards being dealt; or equal to the ante if made after all community cards are dealt but prior to the dealer's cards being revealed).

(3) If the information required by 205 CMR 146.13U(2)(f) is not inscribed on the layout, a sign shall be posted at each ultimate Texas hold 'em table that sets forth such information.

(4) Each ultimate Texas hold 'em table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

146.13V: Winner's pot poker table; physical characteristics

(1) Winner's pot poker shall be played on a table having positions for no more than seven players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for a winner's pot poker table shall contain, at a minimum:

- (a) The name or trade name of the gaming licensee;
- (b) Four separate designated betting areas at each player position for the placement of ante, bet, double and jacks plus bonus wagers, configured in an array so that the jacks plus bonus wager area is closest to the dealer, the double wager area is second closest to the dealer, the bet wager area is third closest to the dealer, and the ante wager area is farthest from the dealer;
- (c) Three separate designated betting areas for the placement of the ante, bet and double wagers of the dealer, configured in an array in front of the dealer so that

the double wager area is closest to the dealer, the bet wager area is the second closest to the dealer, and the ante wager area is farthest from the dealer;

(d) A designated area at each player position for the placement of the face up cards of the player, which area shall be located to the left of and adjacent to the wagering areas of the player;

(e) A designated area at the center of the gaming table for the placement of the face up cards of the dealer;

(f) A designated area at the center of the gaming table for the placement of the collected wagers comprising the winner's pot; and

(g) Unless the gaming licensee complies with 205 CMR 146.13V(3), inscriptions:

1. Listing the payout odds for the jacks plus bonus wager; and
2. Indicating that the winner's pot shall be awarded to the highest ranking hand of a player or the dealer.

(3) If the information required by 205 CMR 146.13V(2)(g) is not inscribed on the layout, a sign shall be posted at each winner's pot poker table that lists the payout odds for the jacks plus bonus wager and indicates that the winner's pot shall be awarded to the highest ranking hand of a player or the dealer. In addition, a sign shall be posted at each winner's pot poker table indicating that:

- (a) The ante wager of a player who folds after the first three cards are dealt does not increment the winner's pot and is placed in the table inventory container;
- (b) The percentage or, if applicable, the dollar amount of the commission that shall be deducted from the winner's pot and placed in the table inventory container; and
- (c) The outcome of a jacks plus bonus wager of a player who has folded his or her hand shall be determined on the cards dealt to the player prior to folding.

(4) Each winner's pot poker table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of the dealer.

146.13W: Supreme pai gow table; pai gow poker shaker; physical characteristics; computerized random number generator

- (1) Supreme pai gow shall be played at a table having places for six players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.
- (2) The layout for a supreme pai gow table shall contain, at a minimum, the following:
  - (a) The name or trade name of the gaming licensee;
  - (b) Six separate designated betting areas for the players at the table for placement of the supreme pai gow wager with each area being numbered one through six;
  - (c) Two separate areas located below each betting area which shall be designated for the placement of the high and low hands of that player and configured with the high hand area farther from the betting area;
  - (d) Two separate areas located in front of the table inventory container designated for the placement of the high and low hands of the dealer and configured with the dealer's high hand closer to the dealer; and
  - (e) A separate designated area at each player position for placement of the bonus wager, which area shall be located immediately above and to the right of the supreme pai gow wagering area as viewed by the player.
- (2) Each supreme pai gow table shall have a drop box and tip box attached to it on the same side of the gaming table as, but on opposite sides of, the dealer.
- (3) Pursuant to 205 CMR 147.XXX, supreme pai gow may be played with a container, to be known as a "pai gow shaker," which shall be used to shake three dice before each hand of supreme pai gow is dealt in order to determine the starting position for the dealing or delivery of the cards. The pai gow shaker shall be designed and constructed to contain any feature the IEB may require to maintain the integrity of the game and shall, at a minimum, adhere to the following specifications:
  - (a) The pai gow shaker shall be capable of housing three dice and shall be designed so as to prevent the dice from being seen while the dealer is shaking it; and
  - (b) The pai gow shaker shall have the name or identifying logo of the gaming licensee imprinted or impressed thereon.

(4) As an alternative to using the shaker and dice described in 205 CMR 146.13T(4), a gaming licensee may determine the starting position for the dealing or delivery of the cards in supreme pai gow by utilizing a computerized random number generator that automatically selects and displays a number from 1 through 7 inclusive. Any computerized random number generator proposed for use by a gaming licensee shall be approved by the Commission.

146.13X: Mississippi stud; physical characteristics

(1) Mississippi stud shall be played on a table having betting positions for six players on one side of the table and a place for the dealer on the opposite side. A true-to-scale rendering and a color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for a Mississippi stud table shall contain, at a minimum:

(a) The name or trade name of the gaming licensee;

(b) A separate designated betting area at each betting position for the placement of the ante wager;

(c) Three separate designated betting areas at each betting position for the placement of the 3<sup>rd</sup> street, 4<sup>th</sup> street and 5<sup>th</sup> street wagers, which areas shall be located closer to the player than the ante wager betting area and, when viewed by the player, arrayed from left to right;

(d) Inscriptions at each betting position providing that:

1. All bet wagers shall be in an amount equal to one, two or three times the amount of the player's ante; and

2. The payout odds for all authorized wagers; and

3. Three separate designated areas in front of the dealer for the placement of the community cards, with one area inscribed "3<sup>rd</sup> street," a second area inscribed "4<sup>th</sup> street," and a third area inscribed "5<sup>th</sup> street."

(3) Each Mississippi stud table shall have a drop box and a tip box attached to it on the same side of the table as, but on opposite sides of, the dealer.

146.14: Red dog table; physical characteristics

(1) Red dog shall be played at a table having on one side places for no more than seven players and on the opposite side a place for the dealer. A true-to-scale rendering and a

color photograph of the layout(s) referenced in this section shall be submitted to the IEB, prior to utilizing the layout design.

(2) The layout for a red dog table shall contain, at a minimum:

- (a) The name or trade name of the gaming licensee offering the game;
- (b) Two separate designated betting areas for each player, clearly marked to distinguish between the original wager and the raise wager, and situated so that the betting area for the raise wager is closer to the player than the betting area for the original wager;
- (c) An area designated for the placement of the first, second and third card; and
- (d) The payout odds currently being offered in accordance with 205 CMR 147.XXX.

(3) Each red dog table shall have a drop box and a tip box attached to it with the location of said boxes on the same side of the gaming table but on opposite sides of the dealer.

## **DICE**

### 146.15: Dice: physical characteristics

- (1) Except as otherwise provided in 205 CMR 146.15(2), each die used in gaming shall:
  - (a) Be formed in the shape of a perfect cube and of a size no smaller than 0.750 of an inch on each side nor any larger than 0.775 of an inch on each side;
  - (b) Be transparent and made exclusively of cellulose except for the spots, name or trade name of the gaming licensee and serial number or letters contained thereon;
  - (c) Have the surface of each of its sides perfectly flat and the spots contained in each side perfectly flush with the area surrounding them;
  - (d) Have all edges and corners perfectly square and forming perfect 90 degree angles;
  - (e) Have the texture and finish of each side exactly identical to the texture and finish of all other sides;
  - (f) Have its weight equally distributed throughout the cube and no side of the cube heavier or lighter than any other side of the cube;

(g) Have its six sides bearing white circular spots from one to six respectively with the diameter of each spot equal to the diameter of every other spot on the die;

(h) Have spots arranged so that the side containing one spot is directly opposite the side containing six spots, the side containing two spots is directly opposite the side containing five spots and the side containing three spots is directly opposite the side containing four spots; each spot shall be placed on the die by drilling into the surface of the cube and filling the drilled out portion with a compound which is equal in weight to the weight of the cellulose drilled out and which forms a permanent bond with the cellulose cube, and shall extend into the cube exactly the same distance as every other spot extends into the cube to an accuracy tolerance of .0004 of an inch; and

(i) Have imprinted or impressed thereon the name or trade name of the gaming licensee in which the die is being used.

(2) Each die used in gaming at pai gow, pai gow poker, supreme pai gow or Asia poker shall comply with the requirements 205 CMR 146.15(1) except as follows:

(a) Each die shall be formed in the shape of a perfect cube and of a size no smaller than .637 of an inch on each side nor any larger than .643 of an inch on each side;

(b) Instead of the name of the gaming licensee, a gaming licensee may, with the approval of the IEB, have an identifying mark or logo imprinted or impressed on each die; and

(c) The spots on each die do not have to be equal in diameter.

(3) Each die used in gaming at mini-dice shall comply with the requirements of 205 CMR 146.15(1) or (2).

146.16: Dice: receipt, storage, inspections, and removal from use

(1) When boxes of dice are received for use by the gaming licensee from the manufacturer or distributor thereof, at least two individuals, one of whom shall be from the games department and the other from the security department or accounting department, shall record on an inventory log as required in 205 CMR 146.16(2) , the number of dice received. The individuals shall place boxes of dice in a locked cabinet in the cashiers' cage or within a primary or other secure storage area approved by the IEB. Secure storage areas shall be used for the storage of surplus dice. Dice maintained in secure storage areas shall not be distributed to gaming pits or tables for use in gaming until the dice have been moved to a primary storage area.

(2) The gaming licensee shall maintain a log for each approved storage area, to separately account for dice in accordance with an inventory system. The inventory system shall include the following:

(a) A dice inventory system, which shall include, at a minimum, the recordation of the following:

1. Balance of dice on hand and their location;
2. Dice received from the vendor;
3. Dice removed from storage;
4. Dice returned to storage;
5. Date of:
  - a. Receipt from vendor;
  - b. Removal from storage;
  - c. Return to storage; and
  - d. Physical inventory of dice.
6. Signatures of the games department and security and/or accounting department representatives participating in the procedure;
7. A reconciliation, on a daily basis, of the dice distributed, destroyed, and cancelled; returned to the storage area; in use on an open gaming table for more than 24 hours; and in dice reserve, if any; and



8. A physical inventory of the dice at least once every three months. This inventory shall be performed by an individual with no incompatible functions and shall be verified to the balance of dice on hand as required in accordance with 205 CMR 146.16(2)(a)1. Any discrepancies shall immediately be reported to the IEB.

(3) All approved storage areas and pit stands used to store dice for more than one gaming day, other than the cashiers' cage, shall have two separate locks. The security department shall maintain one key and the games department or cashiers' cage shall maintain the other key; provided, however, that no person employed by the games department below the table games shift manager in the organization hierarchy shall have access to the games department key. Dice stored in a cabinet within the cashiers' cage shall be secured by a lock, the key to which shall be maintained by a table games shift manager or games supervisor thereof.

(4) When removing dice from the primary storage area, a representative of the games department, in the presence of a security officer, shall remove the appropriate number of dice. The representative of the games department may be the table games shift manager or a games supervisor thereof, or an employee of the games department who reports directly to the shift manager, but shall in any event be licensed as a key gaming employee and shall have no direct supervisory responsibilities over the operation and conduct of the table games in a pit during that gaming day. This individual shall distribute sufficient dice to the table games supervisor. Dice in the pit stand shall be placed in a locked compartment, the keys to which shall be in the possession of the table games supervisor or supervisor thereof. If dice are stored in the pit stand for more than one gaming day, the pit stand shall be equipped with a second lock, the key to which shall be maintained and controlled by the security department. The security lock on the pit stand shall be used whenever the pit is closed.

(5) All envelopes and containers used in this section for dice pre-inspected at the pit stand or in a primary storage area and for those collected by security shall be transparent. The envelopes or containers and the method used to seal them shall be designed or constructed so that any tampering shall be evident.

(6) All dice shall be inspected and distributed to the gaming tables in accordance with one of the following applicable alternatives:

(a) Alternative No. 1: Distribution to and inspection at craps, mini-craps, mini-dice, or sic bo tables shall be as follows:

1. The table games shift manager or games supervisor **thereof** and the security officer who removed the dice from the primary storage area shall distribute sufficient dice directly to the games supervisor in each pit, or

place them in a locked compartment in the pit stand, the keys to which shall be in the possession of the games supervisor or a supervisor thereof;

2. Immediately upon opening a table for gaming, the games supervisor shall distribute a set of dice to the table. At the time of receipt, a boxperson at each craps table and the floorperson at each sic bo, mini-dice, mini-craps table, in order to ensure that the dice are in a condition to assure fair play and otherwise conform to M.G.L. c. 23K and 205 CMR 146.15, shall, in the presence of the dealer, inspect the dice given to him or her with a micrometer or any other approved instrument that performs the same function, a balancing caliper, a steel set square, and a magnet, which instruments shall be kept in a compartment at each craps table or pit stand and shall be at all times readily available for inspection and use by the IEB;

3. Following the inspection in 205 CMR 146.16(6)(a)2:

a. For craps, the boxperson shall, in the presence of the dealer, place the dice in a cup on the table for use in gaming, and while the dice are at the table, they shall never be left unattended;

b. For mini-craps, the floorperson shall, in the presence of the dealer, place the dice in a cup on the table for use in gaming, and while the dice are at the table, they shall never be left unattended; and

c. For sic bo and mini-dice, the floorperson shall, in the presence of the dealer, place the required number of dice into the shaker and seal or lock the shaker. For sic bo, the floorperson shall then secure the sic bo shaker to the table in the presence of the dealer who observed the inspection. For mini-dice, the floorperson shall then give the sealed mini-dice shaker to the dealer, who shall be primarily responsible for the security of the shaker at all times while the shaker is available for use at the table; and

d. The games supervisor shall place extra dice for dice reserve in the pit stand. Dice in the pit stand shall be placed in a locked compartment, the key to which shall be in the possession of the games supervisor or a supervisor thereof. No dice taken from this reserve shall be used for actual gaming until and unless inspected in accordance with 205 CMR 146.16(6)(a)2 above.

(b) Alternative No. 2: Distribution to and inspection at the pit stand shall be as follows:

1. The table games shift manager or supervisor thereof and the security officer who removed the dice from the primary storage area shall distribute the dice directly to the games supervisor identified in 205 CMR 146.(6)(b)XXX below, who will perform the inspection in each pit.
2. The inspection of the dice at the pit stand shall be performed by:
  - a. For craps and mini-craps, a boxperson or floorperson in the presence of another boxperson or floorperson, both of whom are assigned the responsibility of supervising the operation and conduct of a craps game; and
  - b. For sic bo, mini-dice, pai gow, pai gow poker, supreme pai gow, or asia poker, a floorperson, in the presence of another floorperson, both of whom are assigned the responsibility of supervising the operation and conduct of such games.
3. To ensure that the dice are in a condition to assure fair play and otherwise conform to M.G.L. c. 23K and 205 CMR, the dice shall be inspected with a micrometer or any other approved instrument that performs the same function, a balancing caliper, a steel set square, and a magnet, which instruments shall be kept at the pit stand and shall be at all times readily available for inspection and use by the IEB. The inspection shall be performed on a flat surface, which allows the dice inspection to be observed through closed circuit television cameras and by any persons in the immediate vicinity of the pit stand.
4. After completion of the inspection, the dice shall be distributed as follows:
  - a. For craps and mini-craps, the boxperson or floorperson who inspected the dice shall, in the presence of the other boxperson or floorperson who observed the inspection, distribute such dice to the boxperson assigned at each craps table or to the floorperson assigned at each mini-craps table. The craps boxperson or the mini-craps floorperson shall, in the presence of the dealer, place the dice in a cup on the table for use in gaming, and while the dice are at the table they shall never be left unattended;
  - b. For sic bo and mini-dice, the floorperson who inspected the dice shall, in the presence of the other floorperson who observed the

inspection, place the required number of dice into the shaker and seal or lock the shaker. For sic bo, the floorperson shall then secure the sic bo shaker to the table in the presence of the other floorperson who observed the inspection. For mini-dice, the floorperson shall then give the sealed mini-dice shaker to the dealer, who shall be primarily responsible for the security of the shaker at all times while the shaker is available for use at the table; and

c. For pai gow, pai gow poker, supreme pai gow, or asia poker, the floorperson who inspected the dice shall, in the presence of the other floorperson who observed the inspection, distribute such dice directly to the dealer at each pai gow, pai gow poker, supreme pai gow, or asia poker table. The dealer shall immediately place the dice in the pai gow, pai gow poker, supreme pai gow, or asia poker shaker.

5. The games supervisor shall place extra sets of dice for dice reserve in the pit stand, as follows:

a. Dice in the pit stand shall be placed in a locked compartment, the key to which shall be in the possession of the games supervisor or a supervisor thereof.

b. Except as otherwise provided in 205 CMR 146.XXX(f)2vi and vii below, all dice taken from the reserve shall be re-inspected by a games supervisor in the presence of another games supervisor in accordance with the inspection procedures set forth in 205 CMR 146.XXX(f)2ii and iii above, prior to their use for actual gaming.

c. In accordance with 205 CMR 146.XXX(f)2v(2) above, previously inspected reserve dice may be used for gaming without being reinspected, if they are maintained in a locked compartment in the pit stand, the key for which shall be in the possession of the games supervisor or games supervisor thereof.

d. In accordance with 205 CMR 146.XXX(f)2v(2) above and as an additional alternative to 205 CMR 146.XXX(f)2vi above, previously inspected reserve dice may be used for gaming without being reinspected, if they are maintained in a locked compartment in the pit stand in accordance with the following procedures:

(i) For craps and mini-craps, a set of at least five dice, after being inspected, shall be placed in a sealed envelope or

container. A label that identifies the date of inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container.

(ii) For sic bo and mini-dice, the required number of dice, after being inspected, shall be placed in a sealed envelope or container or sealed or locked in a sic bo or mini-dice shaker. A label or seal that identifies the date of inspection and contains the signatures of those responsible for the inspection shall, respectively, be attached to each envelope or container or placed over the area that allows access to open the sic bo or mini-dice shaker.

(iii) For pai gow, pai gow poker, supreme pai gow, and asia poker, a set of three dice, after being inspected, shall be placed in a sealed envelope or container. A label that identifies the date of inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container.

(c) Alternative No. 3: Inspection in primary storage area and distribution to tables shall be as follows:

1. Inspection of dice for all table games in an approved primary storage area shall be performed by a games supervisor and a table games shift manager, in the presence of a security officer.
2. The dice shall be inspected with a micrometer or any other approved instrument that performs the same function, a balancing caliper, a steel set square, and a magnet to ensure that the dice are in a condition to assure fair play and otherwise conform to M.G.L. c. 23K and 205 CMR. These instruments shall be maintained in the storage area and shall be at all times readily available for inspection and use by the IEB.
3. After completion of the inspection, the person performing the inspection shall seal the dice as follows:
  - a. For craps and mini-craps, after each set of at least five dice are inspected, they shall be placed in a sealed envelope or container; provided, however, that reserve dice may be placed in individual sealed envelopes or containers. A label that identifies the date of the inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container;

b. For sic bo and mini-dice, after each set of dice are inspected, they shall be sealed or locked in a manual shaker. A seal that identifies the date of the inspection and contains the signatures of those responsible for the inspection shall then be placed over the area that allows access to open the shaker;

c. For pai gow, pai gow poker, supreme pai gow, or asia poker, after each set of three dice are inspected, they shall be placed in a sealed envelope or container. A label that identifies the date of the inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container; and

4. At the beginning of each gaming day and at such other times as may be necessary, a table games shift manager or games supervisor thereof and a security officer shall distribute the dice as follows:

a. For craps and mini-craps, the sealed envelopes or containers of dice shall be distributed to a games supervisor in each craps or mini-craps pit or placed in a locked compartment in the pit stand by the games supervisor. When the sealed dice are distributed to the craps or mini-craps table, a boxperson at each craps table or a floorperson at each mini-craps table, after assuring the seals are intact and free from tampering, shall open the sealed envelope or container, in the presence of the dealer, and place the dice in a cup on the table for use in gaming. While dice are on the table, they shall never be left unattended.

b. For sic bo and mini-dice, the sealed manual shakers shall be distributed to the games supervisor supervising the game. For sic bo, the games supervisor shall then secure the manual sic bo shaker to the table. For mini-dice, the games supervisor shall give the sealed mini-dice shaker to the dealer who shall be primarily responsible for the security of the shaker at all times while the shaker is available for use at the table.

c. For pai gow, pai gow poker, supreme pai gow, or asia poker, the sealed envelope or container shall be distributed to a games supervisor in each pai gow, pai gow poker, supreme pai gow, or asia poker pit or placed in a locked compartment in the pit stand. When the sealed dice are distributed to the pai gow, pai gow poker, supreme pai gow, or asia poker table by the games supervisor, a floorperson, after assuring the seal and envelopes or containers are intact and free from tampering, shall open the sealed envelope or

container, in the presence of the dealer, and place the dice in the pai gow, pai gow poker, supreme pai gow, or asia poker shaker.

d. When the envelope or container or the seal is damaged, broken, or shows indication of tampering, the dice shall not be used for gaming activity unless the dice are re-inspected as follows:

(i) For craps, mini-craps, mini-dice, and sic bo, in accordance with the procedures in 205 CMR 146.XXX(f)1 or 2 above; and

(ii) For pai gow, pai gow poker, supreme pai gow, or asia poker, in accordance with the procedures in 205 CMR 146.XXX(f)2 above.

e. The games supervisor shall place extra dice for dice reserve in the pit stand. Dice in the pit stand shall be placed in a locked compartment, the key to which shall be in the possession of the games supervisor or supervisor thereof.

f. A micrometer or any other approved instrument that performs the same function, a balancing caliper, a steel set square, and a magnet shall also be maintained in a locked compartment in each pit stand, and each such instrument shall be at all times readily available for inspection and use by the IEB.

g. Any primary storage area in which dice are inspected in accordance with this section, shall be equipped with closed circuit television camera coverage capable of observing the entire inspection procedure.

5. The gaming licensee shall remove any dice at any time of the gaming day if there is any indication of tampering, flaws, or other defects that might affect the integrity or fairness of the game or at the request of the IEB.

6. At the end of each gaming day or at such other times as may be necessary, the games supervisor identified in 205 CMR 146.XXX(i) below shall visually inspect each die for evidence of tampering. Such evidence discovered at this time or at any other time shall be immediately reported to the security department and the IEB. A security department member shall complete a two-part Discrepancy Report (Report) comprised of an original and duplicate, which along with the evidence, shall be retrieved

by an agent of IEB. The original and duplicate shall contain at a minimum:

- a. Date and shift of inspection;
  - b. Name of games supervisor conducting the inspection. The inspection required by this subsection shall be performed by a games supervisor other than the one who originally inspected the dice;
  - c. Pit number, table number, and type of game;
  - d. Description (for example, shaved corners);
  - e. Signature of games supervisor conducting the inspection;
  - f. Signature of security representative taking custody of the die; and
  - g. The signature of the agent of the IEB inspecting or accepting the die. The IEB agent shall retain the original and return the duplicate to the security department. A receipt shall be issued to the agent of the IEB for any die retained by the IEB. The receipt shall be signed by the security representative releasing the die to the IEB and the agent of the IEB accepting the die. The receipt shall be retained with the security department copy of the Report. Any die not retained by the IEB shall be destroyed in accordance with the licensee's destruction procedures.
7. Any dice showing evidence of tampering shall be placed in a sealed envelope or container. A label shall be attached to each envelope or container, which shall identify the table number, date, and time and shall be signed by a person assigned to directly operate and conduct the game at that table and a games supervisor assigned the responsibility for supervising the operation and conduct of such game. The security officer taking custody of the dice and delivering the dice to the IEB shall also sign the label.
8. All other dice not showing evidence of tampering shall be put into envelopes or containers at this time. A label shall be attached to each envelope or container which shall identify the table number, date, and time and shall be signed by the appropriate persons identified in 205 CMR 146.XXX(h) above. The envelope or container shall be appropriately sealed and maintained within the pit until collection by a security officer.



9. All extra dice in dice reserve that are to be destroyed or cancelled shall be placed in a sealed envelope or container, with a label attached to each envelope or container that identifies the date and time and is signed by the games supervisor.

10. At the end of each gaming day or, in the alternative, at least once each gaming day at the same time each day, as designated by the gaming licensee, and at such other times as may be necessary, a security officer shall collect and sign all envelopes or containers of used dice and any dice in dice reserve that are to be destroyed or cancelled and shall transport them to the security department for cancellation or destruction. No dice that have been placed in a cup or shaker for use in gaming shall remain on a table for more than 24 hours.

11. At the end of each gaming day or, in the alternative, at least once each gaming day at the same time each day, as designated by the gaming licensee and, and at such other times as may be necessary, a table games shift manager or games supervisor thereof may collect all extra dice in dice reserve. If collected, dice shall be returned to the primary storage area; provided, however, that any dice that have not been inspected and sealed pursuant to the requirements in 205 CMR 146.XXX(f)3 above (Alternative No. 3) shall, prior to use for actual gaming, be inspected as follows:

- a. For craps, mini-craps, mini-dice, or sic bo, in accordance with the requirements in (f)1 or 2 above; and
- b. For pai gow, pai gow poker, supreme pai gow, or asia poker, in accordance with the requirements in 205 CMR 146.XXX(f)2 above.
- c. If not collected, all dice in dice reserve must be reinspected in accordance with 205 CMR 146.XXX(f)1, 2, or 3 above, prior to their use for gaming, except for those dice maintained in a locked compartment pursuant to 205 CMR 146.XXX (f)2v(1) or 3vi above.

12. Other than dice retained for IEB inspection, dice shall be cancelled or destroyed within 72 hours of collection by the security department. In addition, once dice retained as evidence by the IEB are released to the security department, the dice shall immediately be destroyed or cancelled. Destruction and cancellation of dice shall take place in a secure place, the location and physical characteristics of which shall be approved by the

IEB. The adequacy of the destruction and cancellation process shall be approved by the IEB. Destruction of dice shall be by shredding by the security department or a vendor approved by the IEB. Cancellation of dice by the security department shall be by drilling a circular hole of at least one fourth of an inch in diameter through the center of each die.

146.16A: Manual and automated dice shakers: security procedures

(1) Manual sic bo shakers and mini-dice shakers which have been filled with dice in accordance with 205 CMR 146.XXX may only be stored in a locked compartment in the primary storage area. Manual sic bo shakers and mini-dice shakers which have not been filled with dice may be stored in a locked compartment in the pit stand. An automated dice shaker which has been filled with dice must be secured to the gaming table at all times. An automated dice shaker which has not been filled with dice may be stored in a locked compartment in the pit stand.

(2) At the end of each gaming day a pit boss shall inspect all sic bo shakers, mini-dice shakers and automated dice shakers that have been placed in use for gaming for evidence of tampering. Such evidence discovered at this time shall be immediately reported to the IEB. At a minimum, such reports shall include:

- (a) The date and time when the tampering was discovered;
- (b) The table number where the shaker was used; and
- (c) The name and license number of the individual discovering the tampering.

146.17: Cards: physical characteristics

(1) Cards used to play authorized table games shall be in decks of 52 cards, except as otherwise authorized by 205 CMR, with each card identical in size and shape to every other card in such deck.

(2) Each deck shall be composed of four suits: diamonds, spades, clubs and hearts, or as otherwise authorized by 205 CMR.

(3) Each suit shall be composed of 13 cards: ace, king, queen, jack, 10, nine, eight, seven, six, five, four, three, and two. The face of the ace, king, queen, jack, and 10 value cards may contain an additional marking, which will permit a dealer, prior to exposing his or her hole card at the game of blackjack, to determine the value of that hole card.

(4) The backs of each card in the deck shall be identical and no card shall contain any marking, symbol or design that will enable a person to know the identity of any element

printed on the face of the card or that will in any way differentiate the back of that card from any other card in the deck.

(5) The backs of all cards in the deck shall be designed so as to diminish as far as possible the ability of any person to place concealed markings thereon.

(6) The design to be placed on the backs of cards used by gaming licensees shall contain the name or trade name of the gaming licensee and shall be submitted to the IEB prior to use of such cards in gaming activity.

(7) Each deck of cards shall be packaged separately or in a set containing the number of decks authorized by 205 CMR and selected by a gaming licensee for use in a particular table game. Each package of cards shall be sealed in a manner so as to provide evidence of any tampering with the package. If multiple decks of cards are packaged and sealed in a set:

(a) The package shall have a label affixed thereto that indicates or contain a window that reveals an adequate description of the contents of the package, including without limitation, the name of the gaming licensee for which the cards were manufactured, the type of cards, the color(s) of the backs of the cards, the date and time that the cards were manufactured, and the total number of cards in the set; and

(b) No deck of cards shall be separated from the set for independent use at a table game.

(8) Nothing in this section shall prohibit a manufacturer from manufacturing decks of cards with one or more jokers contained therein; provided, however, such jokers shall not be used by the gaming licensee in the play of any game other than pai gow poker, two-card joker poker, Asia poker or supreme pai gow in accordance with the provisions of 147 - 11.3, 30.5, 31.3, or 34.3, respectively.

(9) In addition to satisfying the requirements of this section, the cards used by a gaming licensee at poker must:

a. Be visually distinguishable from the cards used by that gaming licensee to play any other table game; and

b. Be made of plastic.

10. Each gaming licensee which elects to offer the game of poker shall be required to have and use on a daily basis at least four visually distinguishable card backings for the cards to be used at the game of poker. These card backings may be distinguished, without limitation, by different logos, different colors or different design patterns.

146.18: Cards: receipt, storage, inspections, and removal from use

(1) When decks of cards are received for use in the gaming establishment from the manufacturer or distributor thereof, at least two individuals, one of whom shall be from the casino games department and the other from the security department or accounting department, shall record on an inventory log required in 205 CMR 18(2), the number of decks received. The individuals shall place the decks of cards in a locked cabinet in the cashiers' cage or within a primary or secondary storage area located in the cashiers' cage or in another secure place approved by the IEB. Secondary storage areas shall be used for the storage of surplus decks of cards. Decks of cards maintained in secondary storage areas shall not be distributed to gaming pits or tables for use in gaming until the decks have been moved to a primary storage area. A gaming licensee may have a separate storage area approved by the IEB for decks of cards to be used at the game of poker.

(2) The gaming licensee shall maintain an inventory log (manual or electronic) for each approved storage area, to separately account for decks of cards packaged individually and in sets of multiple decks in accordance with the gaming licensee's card inventory system, which shall include the recordation of the following:

- (a) The decks of cards received from the vendor;
- (b) The decks of cards removed from storage;
- (c) The decks of cards returned to storage;
- (d) The date of receipt of, removal from, return to, or physical inventory;
- (e) The signatures of the games, security and/or accounting department personnel participating in the procedure;
- (f) A reconciliation on a daily basis of the decks of cards distributed, destroyed and cancelled, returned to the storage area, in use on an open gaming table for more than 24 hours and, if any, in card reserve; and
- (g) A physical inventory of the decks of cards at least once every three months. This inventory shall be performed by an individual with no incompatible functions and shall be verified to the balance of decks of cards on hand as required in accordance with 205 CMR 146.XXX above.
- (h) Any discrepancies shall immediately be reported to the IEB.

(3) All primary, secondary, poker storage areas, and pit stands used to store cards for more than one gaming day, other than the cashiers' cage, shall have two separate locks.

The security department shall maintain one key and the games department or cashiers' cage shall maintain the other key; provided, however, that no person employed by the games department below the table games shift manager in the organizational hierarchy shall have access to the games department key for the primary and secondary storage areas and no person below the poker shift supervisor in the organizational hierarchy shall have access to the games department key to the poker storage area. Decks of cards stored in a cabinet within the cashiers' cage shall be secured by a lock, the key to which shall be maintained by a table games shift manager or supervisor thereof.

(4) When removing cards from the primary storage area, a representative of the games department, in the presence of a security officer, shall remove the appropriate number of decks of cards. The representative of the games department may be the table games shift manager or a supervisor thereof, or an employee of the games department who reports directly to the shift manager, and shall be licensed as a gaming key employee and shall have no direct supervisory responsibilities over the operation and conduct of the table games in a pit during that gaming day. This individual shall distribute sufficient decks to the table games supervisor and, if applicable, to the poker shift supervisor. Decks of cards in the pit stand shall be placed in a locked compartment, the keys to which shall be in the possession of the table games supervisor or the poker shift supervisor or supervisor thereof. If decks of cards are stored in the pit stand for more than one gaming day, the pit stand shall be equipped with a second lock, the key to which shall be maintained and controlled by the security department.

If the decks are to be inspected at open gaming tables pursuant to 205 CMR 146.XXX(e)1 below, the table games supervisor shall distribute the decks to the dealer at each table or the poker shift supervisor shall transport the decks to the poker pit stand for subsequent distribution to the dealer at each poker table either directly or through the floorperson assigned to supervise the dealer.

Prior to distributing decks to each poker table, the poker shift supervisor or floorperson shall examine each deck to determine if any replacement cards are necessary pursuant to (n) below. If needed, the poker shift supervisor or floorperson shall place the appropriate replacement cards into the deck from the cards held in reserve at the pit stand. Upon insertion of the replacement cards into the deck, the poker shift supervisor or floorperson shall re-examine the front of each card and the back of each card to ensure a consistent shading pattern and to ensure that the condition of the deck with the inclusion of the replacement cards has sufficient quality in order to maintain the integrity of gaming at poker. If the integrity of gaming at poker would in any way be compromised by the use of the deck with the replacement cards, the entire deck of cards shall be placed in a sealed envelope or container, identified with the date and time and shall be signed by the poker shift supervisor. The poker shift supervisor shall maintain the envelope or container in a secure place within the pit stand until collection by a security officer.

(5) When removing cards from the poker storage area, the poker shift supervisor or supervisor thereof and a casino security officer shall, prior to the commencement of each gaming day and at such other times as may be necessary, remove the appropriate number of decks from the poker storage area and distribute the decks in accordance with the provisions of (d)1 above. The number of decks distributed shall include extra decks that shall be placed in the pit stand for card reserve. Decks of cards in the pit stand shall be placed in a locked compartment, the keys to which shall be in the possession of the poker shift supervisor or supervisor thereof. If decks of cards are stored in the pit stand for more than one gaming day, the pit stand shall be equipped with a second lock, the key to which shall be maintained and controlled by the security department.

(6) With the exception cards which are pre-inspected and pre-shuffled, each deck of cards shall be inspected by a dealer and the inspection verified by a table games supervisor prior to the use of the cards on a gaming table. Card inspection at an open gaming table shall require each deck of cards to be sorted into sequence and into suit and a visual inspection of the back of each card. If, after inspecting the cards, the dealer finds that a card is unsuitable for use or an extra card is found, the following procedures shall be observed:

(a) If a card is unsuitable for use:

1. A poker shift supervisor or games supervisor shall bring a substitute card from the card reserve in the pit stand;
2. The unsuitable card shall be placed in a sealed envelope or container, identified by table number, date, and time and shall be signed by the dealer and floorperson assigned to that table; and
3. The poker shift supervisor or games supervisor shall maintain the envelope or container in a secure place within the pit until collection by a casino security officer; or

(b) If an extra card is found:

1. The poker shift supervisor or games supervisor shall place the extra card in a sealed envelope or container, identified by table number, date and time and signed by the dealer and floorperson assigned to that table; and
2. The poker shift supervisor or games supervisor shall maintain the envelope or container in a secure place within the pit until collection by a casino security officer.

(c). The envelopes or containers and the method used to seal them shall be designed or constructed so that any tampering shall be evident.

(7) Any cards which have been opened and placed on a gaming table shall be changed at least every 24 hours. Notwithstanding the foregoing:

(a) Except as otherwise provided in (g)5 below for baccarat and in 146.12(c) for mini-baccarat, cards opened for use on a baccarat, mini-baccarat, or fast action hold 'em table shall be changed at least once during the gaming day;

(b) Cards opened for use on a pai gow poker, Caribbean stud poker, let it ride poker, Colorado hold 'em poker, Boston 5 stud poker, double cross poker, four-card poker, Texas hold 'em bonus poker, ultimate Texas hold 'em poker, two-card joker poker, flop poker, Asia poker, winner's pot poker, supreme pai gow, Mississippi stud or three-card poker table and dealt from a dealing shoe and cards opened for use on a double down stud table and dealt from the hand shall be changed at least every eight hours;

(c) Cards opened for use on a pai gow poker, Caribbean stud poker, let it ride poker, Colorado hold 'em poker, Boston 5 stud poker, double cross poker, four-card poker, Texas hold 'em bonus poker, ultimate Texas hold 'em poker, flop poker, two-card joker poker, Asia poker, winner's pot poker, supreme pai gow, Mississippi stud or three-card poker table and dealt from the dealer's hand shall be changed at least every four hours;

(d) Cards opened for use on a blackjack table offering the 6 to 5 blackjack variation shall be changed at least every four hours;

(e) Cards opened for use on a baccarat table using the alternative dealing procedure shall be changed after each shoe;

(f) Cards opened for use on a poker table shall be changed at least every six hours; and

(g) Cards opened for use on a blackjack, Spanish 21 or double attack blackjack table, or on a mini-baccarat table using the alternative dealing procedures set forth at 147- 3.7, may be used for no more than 48 hours if the following requirements are satisfied:

1. The gaming table shall remain open for gaming during the entire period of card usage;

2. At least six decks of cards shall be used to play the game; and

3. A table games shift manager shall identify for the surveillance department those gaming tables at which cards are in use for the extended period.

(8) Cards damaged during course of play shall be replaced by the dealer who shall request a floorperson or supervisor thereof for the game of poker or casino supervisor for all other games to bring cards in substitution from the pit stand. The damaged cards shall be placed in a sealed envelope, identified by table number, date and time and shall be signed by the dealer and the individual who brought the replacement card to the table. The poker shift supervisor or casino supervisor shall maintain the envelopes or containers in a secure place within the pit until collection by a casino security officer.

(9) At the end of each gaming day or, in the alternative, at least once each gaming day at the same time each day, as designated by the gaming licensee, or at the end of the extended period pursuant to (g)7 above, and at such other times as may be necessary, the floorperson or supervisor thereof for the game of poker or casino supervisor for all other games shall collect all used cards required to be removed from play. These cards shall be placed in a sealed envelope or container. A label shall be attached to each envelope or container which shall identify the table number, date and time and shall be signed by the dealer and floorperson assigned to the table. The poker shift supervisor or casino supervisor shall maintain the envelopes or containers in a secure place within the pit until collection by a casino security officer.

(10) The gaming licensee shall remove any cards at any time during the day if there is any indication of tampering, flaws, scratches, marks or other defects that might affect the integrity or fairness of the game, or at the request of the IEB.

(11) Except for decks that have been pre-shuffled and pre-inspected in accordance with 205 CMR, all extra decks or packaged sets of multiple decks in card reserve with broken seals shall be placed in a sealed envelope or container, with a label attached to each envelope or container that contains the number of decks or packaged sets of multiple decks, as applicable, included therein, the date and time and the signature of the floorperson or supervisor thereof for poker and the pit boss for all other games.

(12) At the end of each gaming day or, in the alternative, at least once each gaming day at the same time each day, as designated by the gaming licensee, and at such other times as may be necessary, a security officer shall collect and sign all envelopes or containers with damaged cards, cards required to be removed that gaming day, and all extra decks in card reserve with broken seals, except those that have been pre-shuffled and pre-inspected in accordance with 205 CMR, and shall return the envelopes or containers to the security department.

(13) At the end of each gaming day or, in the alternative, at least once each gaming day at the same time each day, as designated by the gaming licensee, and at such other times



as may be necessary, a table games shift manager or games supervisor thereof may collect all extra decks in card reserve. If the gaming licensee maintains a separate storage area for poker cards, a poker shift supervisor or supervisor thereof may collect all extra decks in card reserve for the game of poker. If collected, all sealed decks shall either be cancelled or destroyed or returned to the storage area.

(14) When the envelopes or containers of used cards and reserve cards with broken seals are returned to the casino security department, they shall be inspected for tampering, marks, alterations, missing or additional cards or anything that might indicate unfair play.

For cards used in blackjack, Spanish 21, double attack blackjack, double cross poker, red dog, casino war, fast action hold 'em, or mini-baccarat using the dealing procedures in 205 CMR.XXX or XXX, the gaming licensee shall cause to be inspected either all decks used during the day; or a sample of decks selected at random or in accordance with an approved stratification plan, provided that the procedures for selecting the sample size and for assuring a proper selection of the sample are submitted to and approved by the IEB. This sample shall be collected, stored and inspected separately from the sample required by (n)2 below, and shall not be commingled with any cards from that sample.

For cards used in baccarat, or cards used in mini-baccarat using the dealing procedures in 205 CMR 147.XXX, the gaming licensee shall cause to be inspected all decks used during the day. Notwithstanding the foregoing, for any decks that are opened for a single use in a shoe (the cards are not reshuffled for a subsequent use and are removed from the table), a gaming licensee may cause to be inspected a sample of decks selected at random or in accordance with an approved stratification plan, provided that the procedures for selecting the sample size and for assuring a proper selection of the sample are submitted to and approved by the IEB.

(15) The gaming licensee shall also inspect any cards which the IEB requests the gaming licensee to remove for the purpose of inspection; any cards the gaming licensee removed for indication of tampering; all cards used for pai gow poker, Caribbean stud poker, let it ride poker, Colorado hold 'em poker, Boston 5 stud poker, double cross poker, four-card poker, Texas hold 'em bonus poker, ultimate Texas hold 'em poker, flop poker, two-card joker poker, Asia poker, winner's pot poker, supreme pai gow, Mississippi stud or three-card poker; and all cards used for poker.

The procedures for inspecting all decks required to be inspected under this subsection, shall, at a minimum, include:

- (a) The sorting of cards sequentially by suit or utilizing a machine approved by the IEB capable of reading the cards to determine whether any deck contains missing or additional cards;
- (b) The inspection of the backs with an ultra- violet light;

(c) The inspection of the sides of the cards for crimps, bends, cuts and shaving; and

(d) The inspection of the front and back of all plastic cards for consistent shading and coloring.

(16) If, during the inspection procedures required in 205 CMR 146.18(14), one or more plastic cards in a deck are determined to be unsuitable for continued use, those cards shall be placed in a sealed envelope or container and a two-part Card Discrepancy Report shall be completed in accordance with (n)9 below.

(17) Upon completion of the inspection procedures required in (n)3 above, each deck of plastic cards which is determined suitable for continued use shall be placed in sequential order, repackaged and returned to the primary or poker storage area for subsequent use. If a deck has any missing cards pursuant to (n)4 above, the individual who repackages the cards shall indicate the need for the appropriate replacement card(s) in a manner documented in the gaming licensee's internal control procedures.

(18) The gaming licensee shall develop internal control procedures for returning the repackaged cards to the storage area. The individuals performing said inspection shall complete a work order form which shall detail the procedures performed and list the tables from which the cards were removed and the results of the inspection. The individual shall sign the form upon completion of the inspection procedures. The gaming licensee shall submit the training procedures for those employees performing the inspection to the IEB.

(19) Evidence of tampering, marks, alterations, missing or additional cards or anything that might indicate unfair play discovered at this time, or at any other time, shall be immediately reported to the IEB by the completion and delivery of a two-part Card Discrepancy Report.

(20) At the end of each gaming day or at such other times as may be necessary, the gaming supervisor identified in (m) above shall visually inspect each die for evidence of tampering. Such evidence discovered at this time or at any other time shall be immediately reported to the security department and the IEB. A security department member shall complete a two-part Discrepancy Report, which Report along with the evidence shall be retrieved by an agent of the IEB. The original and duplicate Report shall contain, at a minimum:

(a) The date and shift of inspection;

(b) The name of the supervisor conducting the inspection. The inspection required by this subsection shall be performed by a games supervisor other than the one who originally inspected the cards;

(c) The pit number, table number, and type of game;

(d) A description (for example, cut corners);

(e) The signature of the supervisor conducting the inspection;

(f) The signature of the security representative taking custody of the card; and

(g) The signature of the agent of the IEB inspecting or accepting the card, who shall retain the original and return the duplicate to security. A receipt shall be issued to the agent of the IEB for any card retained by the IEB. The receipt shall be signed by the security representative releasing the card to the IEB and the agent of the IEB accepting the card. The receipt shall be retained with the Security copy of the Discrepancy Report. Any card not retained by the IEB shall be destroyed in accordance with the licensee's destruction procedures. The report shall accompany the cards.

(21) Notwithstanding any provision in this subsection to the contrary, for cards used:

(a) In any authorized game or variation thereof which permits a player to touch them, the gaming licensee shall cause to be inspected all decks used during the day; and

(b) At any gaming table for more than 24 hours pursuant to (g)7 above, the gaming licensee shall cause to be inspected a sample of decks that is separate from the sample of decks selected pursuant to (n)1ii above, provided that the procedures for selecting the sample size and for assuring a proper stratification of the sample shall be submitted to and approved by the IEB.

(22) If a deck of plastic cards has been reused 12 or more times and the deck has been determined to be suitable for reuse by the individual performing the inspection procedures required by (n)3 above, before that deck may be reused at a poker table, the deck must be inspected by a poker shift supervisor or floorperson. A satisfactory inspection shall be documented by the poker shift supervisor or floorperson. If the poker shift supervisor or floorperson determines that the deck may not be reused, the deck shall be placed in a sealed envelope or container, with a label attached which identifies the date and time and shall be signed by the poker shift supervisor or floorperson. At the end of the gaming day or at such other times as may be necessary, said envelope or container shall be collected by a casino security officer and be returned to the casino security department for destruction or cancellation pursuant to (p) below.

(23) Where cards in an envelope or container are inspected and found to be without any indication of tampering, marks, alterations, missing or additional cards or anything that might indicate unfair play, those cards with the exception of plastic cards used at poker that are of sufficient quality for reuse, shall within 72 hours of collection be destroyed or cancelled. In addition, once cards retained as evidence by the IEB are released to the security department, the cards shall immediately be destroyed or cancelled.

(24) Destruction and cancellation of cards shall take place in a secure place, the location and physical characteristics of which shall be approved by the IEB. The adequacy of the destruction and cancellation process shall be approved by the IEB. Destruction of cards shall be by shredding by the security department or a vendor approved by the IEB. Cancellation of cards shall be by drilling a circular hole of at least one-fourth of an inch in diameter through the center of each card in the deck.

146.18A: Pre-shuffled and pre-inspected cards

(1) In lieu of the card shuffling and inspection procedures to be followed at an open gaming table set forth in 205 CMR 146.18, a gaming licensee may elect to:

- (a) Pre-inspect and pre-shuffle cards prior to the delivery of the cards to an open gaming table; or
- (b) Use a licensed vendor to supply pre-shuffled and pre-inspected cards.

(2) If a gaming licensee elects to pre-inspect and pre-shuffle cards, the process shall occur at a closed gaming table or another location approved by the IEB and shall be performed by a dealer and verified by a gaming establishment supervisor with no concurrent supervisory responsibility for open gaming tables. The procedures required by 205 CMR 146.18A(2)(a) through (g) shall be recorded by the surveillance department and each such recording shall be retained by the gaming licensee for not less than seven days.

- (a) Upon receipt of the decks of cards pursuant to 205 CMR 146.18XX, the dealer shall perform the procedures in 205 CMR 146.18A(2)(b) through (g) independently for each batch of cards that will be sealed in a container, with the number of decks of cards in each batch being equal to the number of decks of cards required for the table game in which they are intended to be used.
- (b) The dealer shall visually inspect the back of each card to assure that it is not flawed, scratched or marked in any way that might compromise the integrity or fairness of the game.

(c) The dealer shall then shuffle the cards, manually or using an approved automated shuffling device, in a manner permitted by the applicable regulations governing the table game at which the cards will be utilized.

(d) To ensure that there are no missing or extra cards, the dealer shall inspect the cards utilizing a machine approved by the IEB. The machine shall issue a receipt that shall, at a minimum, include:

1. The manufacturer, model and serial number of the card inspection machine;
2. The name or identification number of the dealer who operates the machine;
3. The location at which the inspection is performed;
4. The date and time of the inspection;
5. The manufacturer and type of cards, the number of decks, and the table game for which the cards are inspected;
6. The result of the inspection and, if failed, the identification of any missing or extra card(s); and
7. The number of the seal to be used on the clear container in which the cards will be placed pursuant to 205 CMR 146.18A (2)(g).

(e) If the inspection fails, the gaming licensee shall follow the procedures set forth in 205 CMR 146.18.

(f) Upon completion of the pre-inspection and pre-shuffling of the cards in the batch, the dealer and supervisor shall sign the receipt certifying that the cards were pre-inspected and pre-shuffled in accordance with this subsection.

(g) For each batch of pre-inspected and pre-shuffled cards the dealer shall place the cards together with the receipt required 205 CMR 146.18A(2)(d) in a clear container that conforms to the requirements of 205 CMR 146.18(5). The container shall be sealed with a pre-numbered label unique to such container. Procedures for the maintenance and security of unused seals, and the distribution, return and reconciliation of seals used on containers holding pre-inspected and pre-shuffled cards shall be detailed in the gaming licensee's internal controls.

(h) The sealed containers of cards shall be transported by a:

1. Table games supervisor to the gaming pit of the gaming tables where they will be utilized and either locked in the pit stand in accordance with 205 CMR 146.18(3) or (4), or placed in a locked cabinet in the gaming pit, the keys to which shall be available only to table games supervisors and subject to sign-out and sign-in procedures; or

2. Table games supervisor or a gaming key employee designated in accordance with the provisions of 205 CMR 146.18(3) and a casino security officer to an approved primary card storage area or poker card storage area where they shall be placed back into card inventory and segregated from cards that have not been pre-inspected and pre-shuffled. A record of the transport of the sealed containers of cards to the card storage area shall be maintained by the casino security department.

- (i) When cards are needed for play, each container of cards shall be delivered by a table games supervisor to an open gaming table. Upon delivery, the table games supervisor shall unseal the container, place the decks of cards on the gaming table in front of the dealer. The supervisor shall record on the receipt contained within the container, the date, time and shift that the container was opened, and the pit and table number where cards are to be used. Once the information has been recorded, the supervisor shall sign the receipt, and retain the receipt and container at the gaming table.

- (3) If a gaming licensee elects to use a licensed vendor to supply pre-inspected and pre-shuffled cards, the manufacturer shall:

- (a) Obtain approval from the IEB for the automated shuffling device used to pre-shuffle cards; and

- (b) Implement a process for shuffling and packaging cards which shall, at a minimum, include:

1. Visual inspection of the back of each card to assure that it is not flawed, scratched or marked in any way that might compromise the integrity or fairness of the game;

2. Verification that each package of cards contains the correct number and is constituted in accordance with the specific rules of the game the cards are intended for use;

3. Inserting the cards in a package with a tamper-proof seal(s) that bears a conspicuous indication if the package has been opened. The exterior of the package shall indicate:

- a. The total number of decks contained within the package; and
- b. The game(s) the cards are intended for use; and
- c. Generation by the automated shuffling device in use, of a receipt to be inserted in the sealed package which shall include the following information:
  - (i) The total number of cards and decks contained within the package;
  - (ii) The date and time the cards were shuffled and verified;
  - (iii) Identification of the manufacturer's employee who performed the process in 205 CMR 146.18A(3)(b); and
  - (iv) The manufacturer, model and serial number of the device used to shuffle the cards.

(4) Cards inspected and shuffled in accordance with 205 CMR 146.18A(3) shall be delivered in accordance with 205 CMR 146.18XXX, to an open gaming table in the manufacturer's sealed packaging. Prior to using the cards at a gaming table, a games supervisor shall inspect the package for evidence of tampering. If there is evidence of tampering, all cards in the package shall not be used and the gaming licensee shall follow the procedures set forth in 205 CMR 146.18XX. Upon opening the package, the table games supervisor shall record on the receipt contained within the package, the date and time that the package was opened, and the pit and table number where cards are to be used. Once the information has been recorded, the table games supervisor shall sign the receipt, place the cards on the table in front of the dealer, and retain the receipt and original package at the gaming table.

(5) For all pre-inspected and pre-shuffled cards, upon the initial use and patron request the dealer shall perform a strip or riffle shuffle of the cards and then cut the cards in the manner prescribed by the regulations governing the particular table game.

(6) Upon removal from a gaming table, pre-inspected and pre-shuffled cards shall be placed in the original container or package in which they were delivered to the table together with the receipt, and returned to the security department for inspection as required by 205 CMR 146.18XX.

(7) The IEB may, at any time, require a gaming licensee to provide any container or package of pre-inspected and pre-shuffled cards.

146.19: Dealing shoes; automated shuffling devices

(1) The following words and terms, when used in this section, shall have the following meanings:

"Base plate" means the interior shelf of the dealing shoe on which the cards rest.

"Face plate" means the front wall of the dealing shoe against which the next card to be dealt rests and which typically contains a cutout.

(2) Cards used for blackjack, Spanish 21, double attack blackjack, pai gow poker, mini-baccarat, red dog, Caribbean stud poker, let it ride poker, three-card poker, fast action hold 'em, Colorado hold 'em poker, casino war, Boston 5 stud poker, double cross poker, four-card poker, Texas hold 'em bonus poker, ultimate Texas hold 'em poker, flop poker, two-card joker poker, Asia poker, winner's pot poker, supreme pai gow, Mississippi stud and double down stud shall be dealt from a manual or automated dealing shoe which shall be secured to the gaming table when the table is open for gaming activity and secured in a locked compartment when the table is not open for gaming activity. Cards used to game at baccarat shall be dealt from a dealing shoe which shall be secured in a locked compartment when the table is not open for gaming activity. Notwithstanding the foregoing, cards used to game at:

(a) Pai gow poker, double down stud, Caribbean stud poker, three-card poker, Colorado hold 'em poker, Boston 5 stud poker, double cross poker, flop poker, four-card poker, Texas hold 'em bonus poker, ultimate Texas hold 'em poker, Asia poker, winner's pot poker, supreme pai gow, Mississippi stud and two-card joker poker may be dealt from the dealer's hand in accordance with the rules for each game in 205 CMR 147.XXX;

(b) The 6 to 5 blackjack variation shall be dealt from the dealer's hand in accordance with 205 CMR 147.XXX; and

(c) Blackjack may be dealt from the dealer's hand in accordance with 205 CMR 147.XXX and YYY.

(3) A device which automatically shuffles cards may be utilized at the game of blackjack, Spanish 21, double attack blackjack, pai gow poker, mini-baccarat, red dog, poker, Caribbean stud poker, let it ride poker, three-card poker, fast action hold'em, Colorado hold 'em poker, casino war, Boston 5 stud poker, double cross poker, four-card poker, Texas hold 'em bonus poker, ultimate Texas hold 'em poker, flop poker, two-card joker poker, Asia poker, winner's pot poker, supreme pai gow, Mississippi stud and double down stud in addition to a manual or automated dealing shoe, provided that:



- (a) The automated card shuffling device approved by the IEB and the procedures for shuffling and dealing the cards through the use of the device are documented in the internal controls; and
  - (b) The security of an automated card shuffling device conforms to the security of any dealing shoe used at the gaming table pursuant 205 CMR 146.XXX (b) above.
- (4) Each manual or automated dealing shoe shall be designed and constructed with such features as the IEB may require to maintain the integrity of the game at which such shoe is used. Such features shall include, at a minimum, the following:
- (a) At least the first four inches of the base plate shall be white;
  - (b) The sides of the shoe below the base plate shall be transparent or have a transparent sealed cutout unless the dealing shoe is otherwise constructed to prevent any object from being placed into or removed from the portion of the dealing shoe below the base plate and to permit the inspection of this portion of the shoe;
  - (c) A stop underneath the top of the face plate shall preclude the next card to be dealt from being moved upwards for more than one-eighth inch distance; and
  - (d) Each dealing shoe used in blackjack and Spanish 21 shall have a mark(s) on the side of the shoe that enables the dealer, after aligning the stack of cards against the shoe to insert the cutting card in such stack so that approximately one quarter of the stack is behind the cutting card.
- (5) A baccarat dealing shoe, in addition to meeting the requirements of 205 CMR 146.XXX (d)1 through 4 above, shall also adhere to the following specifications:
- (a) A removable lid shall be opaque from the point where it meets the face plate to a point at least four inches from the face plate;
  - (b) The sides and back above the base plate shall be opaque; and
  - (c) A device within the shoe shall, when engaged, prevent the cards from moving backward in the shoe.
- (6) A pai gow poker dealing shoe, in addition to meeting the requirements of 205 CMR 146.XXX(d) above, may, in the discretion of the gaming licensee, also contain a device on the front of the face plate so as to preclude the players from viewing the next card to be dealt.

(7) All dealing shoes and shuffling devices in the casino shall be inspected at the beginning of each gaming day by a floorperson assigned to the table prior to cards being placed in them. The purpose of this inspection shall be to assure that there has been no tampering with the shoe or shuffling device.

(8) For gaming tables at which a manual dealing shoe is utilized, the shoe shall be located on the side of the gaming table to the left of the dealer, and the discard rack shall be located on the side of the gaming table to the right of the dealer. For gaming tables at which either an automated card shuffling device or an automated dealing shoe is utilized, the discard rack shall be on the side of the gaming table opposite such device or shoe.

146.19A: Pai gow tiles; physical characteristics

(1) Pai gow shall be played with a set of 32 rectangular blocks to be known as tiles. Each tile in a set shall be identical in size and shading to every other tile in the set.

(2) Each tile used in gaming at pai gow shall:

(a) Be made of a non-transparent black material, formed in the shape of a rectangle, and be of a size no smaller than 2.500 inches in length, 1.000 inch in width and .375 of an inch in thickness;

(b) Have the surface of each of its sides perfectly flat, except that the front side of each tile shall contain spots which shall extend into the tile exactly the same distance as every other spot;

(c) Have on the back of each tile an identifying feature unique to each casino;

(d) Have the texture and finish of each side, with the exception of the front side, exactly identical to the texture and finish of all the other sides;

(e) Have the back and sides of each tile within a set be identical and no tile within a set shall contain any marking, symbol or design that will enable a person to know the identity of any element on the front side of the tile or that will distinguish any tile from any other tile within a set; and

(f) Have identifying spots on the front of the tiles which are either red or white or both.

(3) Each set of tiles shall be composed of 32 tiles as set forth in 205 CMR 147.XXX.

(4) Each set of tiles shall be packaged separately and completely sealed in such a manner so that any tampering shall be evident.

146.19B: Pai gow tiles: receipt; storage; inspections, and removal from use

- (1) When sets of tiles to be used at pai gow are received from the manufacturer or distributor thereof, they shall immediately following receipt be inspected by a member of the security department and a supervisor to assure that the seals on each package are intact, unbroken and free from tampering. Packages that do not satisfy these criteria shall be inspected at this time to assure that the tiles conform to IEB standards and there is no evidence of tampering. Packages satisfying these criteria, together with packages having unbroken, intact, and untampered seals shall then be placed for storage in a locked cabinet within a primary or secondary storage area. Sets of tiles which are to be distributed to gaming pits or tables for use in gaming shall be distributed from a locked cabinet in the cashiers' cage or from another secure primary storage area, the location and physical characteristics of which shall be approved by the IEB. Secondary storage areas shall be used for the storage of surplus tiles. Tiles maintained in secondary storage areas shall not be distributed to gaming pits or tables for use in gaming until the tiles have been moved to a primary storage area. All secondary storage areas shall be located in secure areas, the location and physical characteristics of which shall be approved by the IEB.
- (2) All primary and secondary storage areas, other than the cashiers' cage, shall have two separate locks. The security department shall maintain one key and the casino department or cashiers' cage shall maintain the other key; provided, however, that no person employed by the casino department below the table games shift manager in the organization hierarchy shall have access to the casino department key. Tiles stored in a cabinet within the cashiers' cage shall be secured by a lock, the key to which shall be maintained by a table games shift manager or casino supervisor thereof.
- (3) Immediately prior to the commencement of each gaming day and at such other times as may be necessary, the table games shift manager or supervisor thereof, in the presence of a security officer, shall remove the appropriate number of sets of tiles for that gaming day from a primary storage area.
- (4) All envelopes and containers used to hold or transport tiles shall be transparent. The envelopes or containers and the method used to seal them shall be designed or constructed so that any tampering shall be evident.
- (5) The table games shift manager or casino supervisor thereof shall distribute sufficient sets of tiles to the pit boss in each pai gow pit. The pit boss shall then distribute the sets to the dealer at each table, and shall place extra sets in reserve at the pit stand. Sets of tiles in reserve shall be placed in a locked compartment, keys to which shall be in the possession of the pit boss or casino supervisor thereof.
- (6) If during the course of play any damaged tile is detected, the entire set of tiles shall be immediately replaced. The dealer or floorperson shall request that the pit boss bring a substitute set of tiles to the table from the reserve in the pit stand. The set of damaged

tiles shall be placed in a sealed envelope, identified by table number, date and time and shall be signed by the dealer and casino supervisor. The pit boss shall maintain the envelope or container in a secure place within the pit until collection by a casino security officer.

(7) Tiles used at pai gow shall be changed at least every 12 hours. The supervisor shall collect used tiles which shall be placed in a sealed envelope or container. A label shall be attached to each envelope or container which shall identify the table number, date and time and shall be signed by the dealer and casino supervisor. The pit boss shall maintain the envelopes or containers in a secure place within the pit until collection by a casino security officer.

(8) The gaming licensee shall remove any tiles at any time of the gaming day if there is any indication of tampering, flaws, scratches, marks or other defects that might affect the integrity or fairness of the game, or at the request of the Commission or the IEB.

(9) All extra sets of tiles in reserve which have been opened shall be placed in a sealed envelope or container, with a label attached to each envelope or container which identifies the date and time and is signed by the pit boss.

(10) At the end of each gaming day or at such other times as may be necessary, a security officer shall collect and sign all envelopes or containers with damaged tiles, tiles used during the gaming day, and all extra tiles in reserve which have been opened, and shall return the envelopes or containers to the security department.

(11) At the end of each gaming day or at such other times as may be necessary, a table games shift manager or supervisor thereof may collect all extra sets of tiles in reserve which have not been opened. If collected, all unopened sets of tiles shall either be cancelled or destroyed or returned to the storage area.

(13) When the envelopes or containers of used tiles and reserve sets of tiles which have been opened are returned to the security department, they shall be inspected for tampering, marks, alterations, missing or additional tiles or anything that might indicate unfair play.

(a) The gaming licensee shall cause to be inspected all sets of tiles used during the gaming day.

(b) The procedures for inspecting all sets of tiles shall at least include the following:

1. The sorting of tiles by pairs;
2. The visual inspection of the sides and back of each tile for tampering,

markings or alterations; and

3. The inspection of the sides and back of each tile with an ultra-violet light.

(c) The individual performing the inspection required by 205 CMR 146.19B(13) shall complete a work order form which shall detail the procedures performed and list the tables from which the tiles were removed and the results of the inspection. The individual shall sign the form upon completion of the inspection procedures.

(d) Evidence of tampering, marks, alterations, missing or additional tiles or anything that might indicate unfair play discovered at this time, or at any other time, shall be immediately reported to the security department and the IEB. A security department member shall complete a two-part Discrepancy Report, which Report along with the evidence shall be retrieved by an agent of the IEB. The original and duplicate Report shall contain at a minimum:

1. The date and shift of inspection;
2. The name of the supervisor conducting the inspection. The inspection required by this subsection shall be performed by a supervisor other than the one who originally inspected the tiles;
3. The pit number, table number, and type of game;
4. A description (for example, shaved corners);
5. The signature of the supervisor conducting the inspection;
6. The signature of the security representative taking custody of the tile; and
7. The signature of the agent of the IEB inspecting or accepting the tile, who shall retain the original and return the duplicate to security. A receipt shall be issued to the agent of the IEB for any tile retained by the IEB. The receipt shall be signed by the security representative releasing the tile to the IEB and the agent of the IEB accepting the tile. The receipt shall be retained with the Security copy of the Discrepancy Report. Any tile not retained by the IEB shall be destroyed in accordance with the licensee's destruction procedures.

(e) If after completing the inspection procedures required in 205 CMR 146.18B(13) above, it is determined that a complete set of 32 tiles removed from a

gaming table is free from tampering, markings, or alterations, that set may be returned to the pai gow storage area for subsequent gaming use in accordance with the gaming licensee's internal control procedures. In no event may individual tiles from different sets be used to make a complete set for subsequent gaming use.

(14) The gaming licensee shall include in their internal control, procedures for:

(a) An inventory system which shall include the recordation of at least the following:

1. The balance of sets of tiles on hand;
2. The sets of tiles removed from storage;
3. The sets of tiles returned to storage or received from the manufacturer;
4. The date of the transaction; and
5. The signatures of the individuals involved;

(b) A reconciliation on a daily basis of the sets of tiles distributed and the sets of tiles destroyed and cancelled, the sets of tiles returned to the storage area and, if any, the sets of tiles in tile reserve; and

(c) A physical inventory of the sets of tiles at least once every three months. This 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 as required in (n)1i above. Any discrepancies shall immediately be reported to the IEB.

(15) Other than tiles retained for IEB inspection, tiles shall be cancelled or destroyed within 72 hours of collection by the security department. In addition, once tiles retained as evidence by the IEB are released to the security department, the tiles shall immediately be destroyed or cancelled.

(16) Destruction and cancellation of tiles shall take place in a secure place, the location and physical characteristics of which shall be approved by the IEB. The adequacy of the destruction and cancellation process shall be approved by the IEB. Destruction of tiles shall be by shredding by the security department or a vendor approved by the IEB. Cancellation of tiles shall be by drilling a circular hole of at least one fourth of an inch in diameter through the center of each card in the deck.

146.20 Inspection and approval of gaming equipment and related devices and software

(1) No gaming equipment or any related device or software shall be used in a gaming establishment unless it is identical in all mechanical, electrical, electronic or other aspects to a prototype thereof that has been reviewed and approved for use by the IEB.

(2) The following equipment shall require an on-site inspection by the IEB prior to initial use or following any modification:

1. Slot machines;
2. Multiplayer systems;
3. Electronic table games;
4. Server supported slot systems;
5. Slot machine bonus systems;
6. Progressive equipment;
7. Kiosks;
8. Account based wagering systems;
9. Wireless wagering devices;
10. Slot monitoring systems;
11. Gaming voucher systems; and
12. Devices used in conjunction with a slot monitoring system; and

(3) Any evidence that an item of gaming equipment or a related device or software used in a gaming facility has been tampered with or altered in any way which would affect the integrity, fairness, or suitability of the item for use in a casino shall be immediately reported to the IEB. A member of the gaming licensee's casino security department shall be required to ensure that the item is maintained in a secure manner as directed by the IEB.