

## NOTICE OF PUBLIC HEARING

The Arkansas Racing Commission will meet on February 21, 2019, at 11:00 a.m. in the Commission office located in the 1515 Building, 1515 West Seventh Street, Suite 500, Little Rock, Arkansas, to consider the adoption of the following rules governing casino gaming in Arkansas pursuant to Amendment 100 to the Arkansas Constitution:

- (1) CGR 1. Issuance of Rules; Construction; Definitions. Defines the terms used in the Rules.
- (2) CGR 2. Casino License Application. Defines an applicant, casino gaming, minimum qualifications for licenses, and letters of support, and sets the application fee amount.
- (3) CGR 3. Service Industry License and Service Industry Employee License. Defines persons who require a service industry license, license requirements, license fees, and requirements for independent testing labs.
- (4) CGR 4. Operation of Gaming Establishments. Contains the requirements for operation of casinos, grounds for disciplinary actions, requirements for surveillance systems, and prohibits unauthorized games.
- (5) CGR 5. Operation of Interactive Gaming. Sets initial and renewal license fees, investigative fees, requirements for house rules, and grounds for disciplinary action.
- (6) CGR 6. Accounting Regulations. Sets the State's requirements for licensee accounting, audited financial statements, gross revenue computations, and calculation of taxes.
- (7) CGR 7. Transfer of Ownership; Loans. Prohibits transfer of an ownership interest to strangers to a license, and defines the requirements for persons to participate as an owner of licensee.
- (8) CGR 8. Enforcement of Security Interests. Requires lienholders to apply to the Commission for enforcement of security interests in casino assets.
- (9) CGR 9. Closing of Business, Death or Disability; Insolvency. Sets the requirements for licensees in cases of death, disability or insolvency.
- (10) CGR 10. Miscellaneous. Prohibits public officials from holding casino gaming licenses.
- (11) CGR 11. Chips. Sets the requirements for approval, redemption and destruction of chips.
- (12) CGR 12. Manufacturers, Distributors, Operators of Inter-Casino Linked Systems, Gaming Devices, New Games, Inter-Casino Linked Systems, On-Line Slot Metering Systems, Cashless Wagering Systems, Mobile Gaming Systems, Interactive Gaming Systems and Associated Equipment. Sets the standards for gaming devices, new games, cashless wagering systems, and equipment.
- (13) CGR 13. Corporate Licensees. Contains the disclosure requirements for corporate licenses.
- (14) CGR 14. Limited Partnership Licensees. Contains the disclosure requirements for limited partnerships.
- (15) CGR 15. Limited Liability Company Licensees. Contains the disclosure requirements for limited liability companies.



(16) CGR 16. Private Investment Companies. Contains the disclosure requirements for private investment companies.

(17) CGR 17. Publicly Traded Corporations and Public Offerings of Securities. Contains the disclosure requirements for publicly traded corporations.

(18) CGR 18. Supervision. Sets the requirements for the Commission to determine if an independent supervisor of a casino is necessary because of issues with the casino licensee's operation of the casino.

(19) CGR 19. Disseminators. Addresses disseminators of racing and sporting events contracted with casino licensees.

(20) CGR 20. Race Books and Sports Pools. Requires patrons to be on the premises of a casino to place bets on racing and sporting events.

(21) CGR 21. Card Games. Establishes the rules for card games at a casino.

(22) CGR 22. Off Track Pari-Mutuel Wagering. Requires patrons to be on the premises of a casino to place bets.

(23) CGR 23. Off-Track Pari-Mutuel Sports Wagering and Off-Track Pari-Mutuel Other Event Wagering. Requires Commission approval for off-track wagers and requires patrons to be on the premises of a casino to place bets.

(24) CGR 24. Off-Track Pari-Mutuel Horse Race Account Wagering. Sets the requirements for account wagering and defines prohibited wagers.

(25) CGR 25. Exclusions. Sets the requirements for excluding patrons for cheating and criminal activity.

Any persons wishing to speak for or against any of the above proposed Rules should appear at the meeting on Thursday, February 21, 2019, and they will be given the opportunity to express their views. Persons wishing to submit written comments on the above proposed Rules should send them to the Arkansas Racing Commission via regular mail at P.O. Box 3076, Little Rock, Arkansas 72203, or via email to [smokey.campbell@dfa.arkansas.gov](mailto:smokey.campbell@dfa.arkansas.gov) and [nikki.langston@dfa.arkansas.gov](mailto:nikki.langston@dfa.arkansas.gov) prior to the close of business on Monday, February 18, 2019. Copies of the complete text of the proposed Casino Gaming Rules can be obtained from the Racing Commission office during normal business hours and from the Secretary of State's office / website.



## **RULE 21 CARD GAMES**

- 21.010 Authority and applicability.**
- 21.020 Definitions.**
- 21.025 Card game drop box procedures.**
- 21.030 Sale of stakes.**
- 21.040 Accounting for transactions between card table bank and card room bank.**
- 21.045 Limitations on the use of card room banks and card table banks.**
- 21.050 Rake-off and time buy-in.**
- 21.065 Restrictions on use of shills and proposition players.**
- 21.070 Restrictions on other players.**
- 21.080 Posting of rules.**
- 21.090 Effective date.**

**21.010 Authority and applicability.** The Commission hereby provides for the regulation of the method of operation and fiscal affairs of games of poker and all other similar games.

**21.020 Definitions.** As used herein, the following terms shall have the following meanings:

1. Ante: A player's initial wager or predetermined contribution to the pot prior to the dealing of the first hand.

2. Call: A wager made in an amount equal to the immediately preceding wager.

3. Card game shill: An employee engaged and financed by the licensee as a player for the purpose of starting and/or maintaining a sufficient number of players in a card game.

4. Card room bank: An imprest fund which is a part of and accountable to the licensee's casino cage or bankroll but which is maintained in the card room exclusively for the purposes set forth in these Rules.

5. Card table bank: An imprest inventory of cash and chips physically located in the table tray on the card table and controlled by the licensee through accountability established with the card room bank. The card table bank shall be used only for the purposes set forth in Rule 21.045(2).

6. Check: To waive the right to initiate the wagering, but to retain the right to call after all the other players have either wagered or folded.

7. Hand: One game in a series, one deal in a card game, or the cards held by a player.

8. Pot: The total amount anted and wagered by players during a hand.

9. Proposition player: A person paid a fixed sum by the licensee for the specific purpose of playing in a card game who uses his or her own funds and who retains his or her winnings and absorbs his or her losses.

10. Raise: A wager made in an amount greater than the immediately preceding wager.

11. Rake-off: A percentage of the pot which may be taken by the licensee for maintaining or dealing the game.

12. Stake: The funds with which a player enters a game.

13. Stakes player: A person financed by the licensee to participate in a game under an arrangement or understanding where by such person is entitled to retain all or any portion of his or her winnings.

14. Table tray: A receptacle used to hold the card table bank.

15. Time buy-in: A charge to a player, determined on a time basis, by the licensee for the right to participate in a game.

**21.025 Card game drop box procedures.**

1. Each card table shall have one card game drop box with the drop slot located at least four inches in front of the table tray and to the right thereof, unless the table is equipped with a drop slot located at least two inches to the right of and even with the top right-hand corner of the table tray, with a cover over the drop slot, which when activated will cause the rake to drop directly into the drop box. The card game drop box shall be a locked container marked with a permanent number corresponding to a permanent number on the card table and permanently marked to indicate game and shift, all of which markings shall be clearly visible at a distance of 20 feet. The locked container shall be locked to the card table and shall be separately keyed from the container itself.

2. All card game drop boxes shall be removed from their respective card tables at the end of each gaming day at the times previously designated in writing to the Commission. The removal of card game drop boxes shall be without any interruptions so that an observer may be able to observe the markings on the boxes. The boxes must be transported directly to the room designated for counting where they shall be stored in a secure place or immediately counted.

**21.030 Sale of stakes.** No cash or chips received for the sale of stakes shall be commingled with any rake-offs or other compensation received by the licensee from the players for the right to play.

**21.040 Accounting for transactions between card table bank and card room bank.**

1. When the card table bank is to be replenished with chips from the card room bank, all cash or chips to be transferred must be counted down by the dealer in public view on the card table and verified by the person who transports the cash or chips.

2. The transfer shall be preceded by the placement of appropriately designated marker buttons (lammer) on the card table of a value equivalent to the cash or chips to be transferred to the card room bank. Such marker buttons may only be removed by the dealer after the transaction has been completed.

3. Upon written Commission approval, those licensees wishing to utilize the casino cage in lieu of a card room bank may do so provided that the same procedures as set forth in these Rules shall be followed by the casino cage for such transactions.

**21.045 Limitations on the use of card room banks and card table banks.**

1. Card room banks shall be used exclusively for the purposes of the issuance and receipt of shill funds, the maintenance of card table banks used in card games, and the issuance of chips to and redemption of chips from players.
2. Card table banks shall be used only for the purposes of making change or handling player buy-ins.

**21.050 Rake-off and time buy-in.**

1. Rake-offs shall not exceed 10 percent of all sums wagers in the hand. Rake-offs shall only be pulled from the pot by the dealer in an obvious manner after each wager and call or at the completion of the hand. The rake-off shall be placed in a designated rake circle and shall remain in the designated rake circle until a winner is declared and paid. The rake-off shall then be dropped into the card game drop box.
2. The designated rake circle must be clearly visible to all players and shall be positioned in a location on the table where it is at least four inches from and in front of the table tray and at least eight inches from the table drop slot, unless the table is equipped with a drop slot located at least two inches to the right of and even with the top right-hand corner of the table tray, with a cover over the drop slot, which when activated will cause the rake to drop directly into the drop box; such drop slot shall serve as the rake circle.

**21.065 Restrictions on use of shills and proposition players.**

1. Shills may not check and raise or play in any manner between themselves or in collusion with others to the disadvantage of other players within the game.
2. Each establishment employing shills or proposition players shall identify such shills or proposition players upon request and shall display a sign clearly legible from each table which states:  
"Arkansas gaming rules allow the use of shills and proposition players. Shills and proposition players shall be identified by management upon request."
3. Each licensee shall maintain, in a manner as in the case of all other employees, employment records on each individual engaged as a shill or proposition player; additionally, a list of all shills and proposition players shall be maintained at the card room bank and shall be readily available for inspection.
4. Persons who participate in the management or supervision of games subject to this Rule shall be permitted to act as a shill or proposition player in the establishment where employed if supervision is otherwise provided.
5. All advances to and winnings of a shill shall be utilized only for wagering in card games or turned into the card room bank at the conclusion of play.
6. No more than two proposition players may play in a card game. No more than a combination of four shills and proposition players may play in a card game.

7. Shills may only wager chips or coins.

**21.070 Restrictions on other players.**

1. Stakes players shall not be utilized by any licensee.
2. No dealer may wager in any game in which he or she is dealing.

**21.080 Posting of rules.** The rules of each game shall be posted and be clearly legible from each table and must designate:

1. The maximum rake-off percentage, time buy-in, or other fee charged.
2. The number of raises allowed.
3. The monetary limit of each raise.
4. The amount of ante.
5. Other rules as may be necessary.

**End – Rule 21**