

ARTICLE 20:18

GAMING COMMISSION -- DEADWOOD GAMBLING

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CHAPTER 20:18:01

GENERAL PROVISIONS

Section

20:18:01:01	Definitions.
20:18:01:02	Prohibitions.
20:18:01:03	Prohibitions on gaming.
20:18:01:04	Service and filing.
20:18:01:05	Commission action.
20:18:01:06	Association -- Powers.

20:18:01:01. Definitions. In addition to the terms in SDCL 42-7B-4, terms used in this article mean:

- (1) "Association," a body of persons united and acting together without a corporate charter;
- (2) "Background investigation," the security, medical, and financial check of an applicant for a license;
- (3) "Building," a common structure that is built or constructed or any piece of work artificially built up or composed of parts joined together in some definite manner;
- (4) "Burn," the dealer's act of removing the first card after the shuffle and placing it in the discards; also, the act of placing an active card in the discards;
- (5) "Common retail premises," two or more buildings that are adjacent, share a common or party wall, have interior access, share identical building ownership or leasehold interest, share a common operator or route operator, and share a common cage that if routed is also used as the route operator's cage;
- (6) "Controller," an electronic device that acts as a relay between a slot machine signal and the overhead progression sign;
- (7) "Costs," sums of money to be paid to the commission for testing of slot machines, devices, and equipment;
- (8) "Drop," the total amount of money, chips, tokens, coupons, and wagering vouchers removed from the drop boxes;
- (9) "Drop box," for blackjack, house banked poker, craps, roulette, keno, and poker games, a locked container permanently marked with the game and a number corresponding to a permanent number on the table and for a slot machine, the bill acceptor box located within the machine;

(10) "Financial institution," a bank, savings and loan association, credit union, trust company, or other similar entity chartered by the United States, a state, or a territory or commonwealth of the United States;

(11) "Gaming contract," an agreement in which a person does business with or on the premises of an entity licensed under this article;

(12) "House banked table game," any authorized game of blackjack, poker, craps, roulette, or keno where the player wagers against the licensee;

(13) "Imprest bank," an area on a poker table in which a predetermined dollar amount of chips, tokens, or cash is kept;

(14) "Jackpot verification mode," the period of time between the progressive jackpot activation of a progressive slot machine and the resetting of the device which caused its activation;

(15) "Lammer" or "lammer button," a chip-like implement with a numeral;

(16) "Link," one or more progressive slot machines that are connected to a progressive controller and may be played in order to achieve the stated progressive amount;

(17) "Matched play," in relation to promotional items, the use of a coupon that is issued to a patron by an establishment for play that must be accompanied by a bet;

(18) "Moral turpitude," an act done contrary to honesty and good morals; it is an act of baseness, vileness, or depravity in the private and social duties which a person owes to other persons or to society in general;

(19) "Non-cashable promo play," any credits that are not redeemable for cash and awarded to the player at the discretion of the licensee. Credits are issued and tracked through the use of a slot management system that entitles the player to participate in gambling on the licensee's slot machines and table games;

(20) "Normal mode," the mode of a progressive slot machine at all times other than when it is in the jackpot verification mode;

(21) "Pit boss," the person responsible to direct and supervise personnel where required and observe table action, review irregularities, arbitrate customer disputes arising from table play, maintain proper table loads, and oversee or count table inventory at the beginning and ending of shifts;

(22) "Poker podium," a stationary stand or counter in a poker room which contains a predetermined amount of chips, tokens, and currency;

(23) "Progressive controller," the hardware and software that controls all communications among the machines within a progressive slot machine link and its associated progressive meter;

(24) "Proposition player," a person paid a fixed sum by the licensee for the specific purpose of playing in a card game, who uses personal funds and who retains the winnings and absorbs the losses;

(25) "Shill," a player provided by or employed by a retail licensee who only bets money provided by the retail licensee;

(26) "Substantial interest," at least as large an interest in a corporation, partnership, or association as that of any other shareholder, partner, or principal;

(27) "Support licensee," a person licensed by the commission who is working or who is about to work for an operator or retailer as a card dealer, slot machine mechanic, slot machine technician, floor supervisor, cashier, shill, proposition player, slot route runner, pit boss, a member of the count team, computer monitor for progressive links, or in any other way directly related to gaming.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 18 SDR 9, effective July 23, 1991; 20 SDR 113, effective January 23, 1994; 22 SDR 95, effective January 18, 1996; 35 SDR 184, effective February 2, 2009; 38 SDR 213, effective June 18, 2012; 41 SDR 218, effective July 1, 2015; 42 SDR 77, effective November 30, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11)(13).

Cross-Reference: Pit boss requirement, § 20:18:12.01:17.

20:18:01:02. Prohibitions. A commission member, officer, agent, or employee of the commission may not receive anything of value from a licensee or an officer, agent, or employee of a licensee. A commission member, officer, agent, or employee of the commission may not receive an item of value from an applicant for a license or an officer, agent, or employee of an applicant for a license. This section does not apply to items of value that are distributed without charge to the general public by a licensee or applicant for a license. A violation of this section by a licensee or any of the licensee's officers, agents, or employees is a ground for disciplinary action against the licensee. A violation of this section by an applicant for a license or any of the applicant's officers, agents, or employees is a ground for denial of an application.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7.

20:18:01:03. Prohibitions on gaming. A commission member, officer, agent, or employee of the commission may not participate in any gaming authorized by this article. Violation of this section, knowingly, by a licensee or the licensee's officer, agent, or employee is grounds for disciplinary action against the licensee. This section does not prohibit gaming by a commission agent or employee in the course of the agent's or employee's lawful discharge of duties.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7.

20:18:01:04. Service and filing. If a filing or a service of notice on the commission or executive secretary is permitted or required by this article or SDCL 42-7B, the filing or notice may be delivered in person or mailed to the commission. A filing or notice is complete on the date it is received by the commission.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7.

20:18:01:05. Commission action. The commission may take action by a mail ballot or a telephone conference call. If a telephone conference call is used, the executive secretary must participate in the call and take minutes of the commission's action. If a mail ballot is used, the results of the mail ballot must be included in the minutes. A mail ballot or conference telephone call is a meeting of the commission.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7.

20:18:01:06. Association -- Powers. An association may use the methods and forms used by incorporated bodies for the pursuit of a common enterprise. It is an unincorporated society and not a partnership. It may be invested with some corporate rights and powers.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

CHAPTER 20:18:02

POWERS OF COMMISSION

Section

20:18:02:01 Attorney for commission.

20:18:02:01. Attorney for commission. The commission may contract for legal counsel and pay the attorney's fees and expenses, under such terms as the commission desires.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11.

CHAPTER 20:18:03

POWERS OF EXECUTIVE SECRETARY

Section

20:18:03:01	Right of reference.
20:18:03:02	Right of review.
20:18:03:03	Delegation.
20:18:03:04	Transfer of license stamps.

20:18:03:01. Right of reference. The executive secretary may refer a matter to the commission for its decision.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-9, 42-7B-11.

20:18:03:02. Right of review. The commission may review action taken by the executive secretary by its own motion, by direction of the chairman, or by a request from a member of the commission, the attorney general, or the Governor.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-9, 42-7B-11.

20:18:03:03. Delegation. With the consent of the commission, the executive secretary may delegate an act required to be performed by the executive secretary to any agent or employee of the commission.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-9, 42-7B-11.

20:18:03:04. Transfer of license stamps. The executive secretary may approve the transfer of license stamps between licensed operators without requiring payment of an additional fee.

Source: 38 SDR 213, effective June 18, 2012.

General Authority: SDCL 42-7B-7, 42-7B-11(15), 42-7B-19.

Law Implemented: SDCL 42-7B-7, 42-7B-11(15), 42-7B-19, 42-7B-23.

CHAPTER 20:18:04

DECLARATORY RULINGS

Section

20:18:04:01	Petition for declaratory ruling.
20:18:04:02	Commission action on petition.
20:18:04:03	Number of copies of petition.

20:18:04:01. Petition for declaratory ruling. A person may petition the commission for declaratory ruling to determine the general application of any statutory provision, rule, or order of the commission or executive secretary.

A person may not petition for a declaratory ruling in a contested case in lieu of a petition for hearing under §§ 20:18:11:01 and 20:18:11:02. The petition must be filed with the executive secretary and be in substantially the following form:

State of South Dakota

South Dakota Commission on Gaming

Pursuant to the provisions of SDCL 1-26-15, I, (name of petitioner), of (address of petitioner), am (title or capacity of petitioner), and petition the South Dakota Commission on Gaming for its declaratory ruling in regard to the following:

(1) The state statute, South Dakota Commission on Gaming rule or order, or order of the secretary of the South Dakota Commission on Gaming in question is: (here identify and quote the pertinent statute, rule, or order);

(2) The facts and circumstances which give rise to the issue to be answered by the commission's declaratory ruling are:

(3) The precise issue to be answered by the commission's declaratory ruling is:

Dated at (city and state), this ____ day of _____, 19____.

(Signature of Petitioner)

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-15, 42-7B-7.

20:18:04:02. Commission action on petition. Upon receipt of a petition, the commission may request from the petitioner other information it requires for the issuance of its ruling. Following receipt of the petition, the commission must issue its declaratory ruling and serve a copy of it by mail on the petitioner.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-15, 42-7B-7.

20:18:04:03. Number of copies of petition. A person filing a petition for declaratory ruling must file an original with the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; 23 SDR 126, effective February 13, 1997.

General Authority: SDCL 42-7B-7, 42-7B-11.

Law Implemented: SDCL 1-26-15, 42-7B-7.

CHAPTER 20:18:05

PROMULGATION OF RULES

(Repealed. 22 SDR 95, effective January 18, 1996)

CHAPTER 20:18:06

APPLICATIONS AND FEES

Section

20:18:06:01	Applications.
20:18:06:02	Fee required with application.
20:18:06:03	Use of application fee -- Additional fees required.
20:18:06:04	Gaming contracts -- Regulations.
20:18:06:05	Termination of employment of key or support licensee.
20:18:06:06	Conditions imposed by commission for reissuance of license.
20:18:06:07	Procedure upon dissolution.
20:18:06:08	Transfers of interest.
20:18:06:09	Regulation of ownership interests.
20:18:06:10	Reapplication required if license not received in one year.
20:18:06:11	Reapplication required after license lapsed one year.
20:18:06:12	Application for approval of games.

20:18:06:01. Applications. An applicant for a license must apply on a form provided by the commission. The application may include questions concerning the following:

- (1) Personal background information;
- (2) Financial information;
- (3) Participation in legal or illegal gaming activities in South Dakota or other jurisdictions, including foreign countries;
- (4) Medical information; and
- (5) Other information as required.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

Declaratory Rulings: Reserve police officers from outside the City of Deadwood or Lawrence County are precluded under SDCL 42-7B-20 from holding a license for gaming under SDCL 42-7B-22. South Dakota Commission on Gaming Declaratory Ruling dated September 19, 1991.

A married couple who have a long history of each owning and controlling their individual assets as their own and separate individual property are not precluded by SDCL 42-7B-26 from each having a financial interest in three retail gaming licenses. South Dakota Commission on Gaming Declaratory Ruling dated January 24, 1992.

20:18:06:02. Fee required with application. An application fee must accompany each application for the following license, game, or game variation approvals in the specified amounts:

- (1) Slot machine manufacturer or distributor, \$5,000;
- (2) Operator license, \$1,000;
- (3) Route operator license, \$1,000;
- (4) Game and game variation approval not including pay table changes, \$2,000;
- (5) Retail license, \$250;
- (6) Gaming property owner license, \$250;
- (7) Key employee license, \$150;
- (8) Support license, \$50;
- (9) Associated equipment manufacturer or distributor, \$500; and
- (10) Sports wagering services provider, \$5,000.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 19 SDR 21, effective August 20, 1992; 21 SDR 98, effective November 30, 1994; 27 SDR 53, effective December 4, 2000; 39 SDR 100, effective December 3, 2012; 41 SDR 218, effective July 1, 2015; 44 SDR 151, effective April 30, 2018; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(1).

Law Implemented: SDCL 42-7B-7, 42-7B-21, 42-7B-22.

20:18:06:03. Use of application fee -- Additional fees required. The application fee must be used to conduct the background investigation of the applicant and to defray administrative expenses. If the commission or executive secretary determines that additional sums are needed to continue or complete the investigation of an applicant, the processing of the application must cease; and the commission or executive secretary must inform the applicant of the additional sums required. As soon as the applicant has furnished the additional sums, the processing must continue.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:06:04. Gaming contracts -- Regulations. An applicant for licensing or a licensee must submit copies of gaming contracts to which it is a party or intends to become a party. The executive secretary, the commission, or both, may review the contracts and require changes in the contracts before an application is approved or participation in the contract is allowed. The commission or executive secretary may require a licensee to end the licensee's participation in a gaming contract.

An applicant for a license as an operator or a retailer must disclose a pecuniary interest in the application by persons not a party to the application.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:06:05. Termination of employment of key or support licensee. A key or support licensee who changes employment, is terminated, or resigns employment must notify the executive secretary in writing within seven days.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7, 42-7B-22.1.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-19, 42-7B-27.

20:18:06:06. Conditions imposed by commission for reissuance of license. The commission or executive secretary may require a person who formerly held a license to meet certain conditions before reissuing a license to that person, including the following:

- (1) Restitution of money;
- (2) Restitution of property; and
- (3) Making periodic reports to the commission or executive secretary as required.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-19, 42-7B-24, 42-7B-25, 42-7B-27.

20:18:06:07. Procedure upon dissolution. Upon dissolution of a corporation, partnership, or association, the qualifying licensee must return the license to the commission within 10 days following the date of the dissolution.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-18, 42-7B-19, 42-7B-25.

Cross-References:

Applications, § 20:18:06:01.

Qualifying licensee, manager, or agent, § 20:18:07:02.

Application requirements, SDCL 42-7B-21, 42-7B-25, 42-7B-27, 42-7B-33, and 42-7B-34.

20:18:06:08. Transfers of interest. No person may sell, lease, purchase, convey, or acquire an interest in a retail licensee or operator licensee without the prior approval of the commission.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-19, 42-7B-24, 42-7B-25, 42-7B-27.

20:18:06:09. Regulation of ownership interests. The executive secretary may require a person owning an interest in a license or applicant to complete an application requiring background information, source of funding, and a sworn statement that the person is not holding the person's interest for another party. The commission may, in its discretion, require a licensee or applicant holding less than a five percent interest to undergo a full background investigation.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-11.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:06:10. Reapplication required if license not received in one year. An applicant for a license who has been found suitable for licensing and has not received a license within one year from the date of approval must resubmit an application for licensure.

Source: 19 SDR 21, effective August 20, 1992; 22 SDR 95, effective January 18, 1996.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-22, 42-7B-22.1.

20:18:06:11. Reapplication required after license lapsed one year. A person who has not held an active license for a period of one year must resubmit an application for licensure.

Source: 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-22, 42-7B-22.1.

20:18:06:12. Application for approval of games. Any person seeking approval of a new game or a variation of a game of poker, blackjack, craps, roulette, keno or blackjack-poker combination shall submit an application on a form provided by the commission and pay the fee required by § 20:18:06:02. The application shall include information concerning the following:

- (1) Personal background information;
- (2) Proposed rules of the game;
- (3) Approval of the game in other jurisdictions; and
- (4) The name of the operator or tribal casino which will offer the game for play if approved.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-21, 42-7B-22.

CHAPTER 20:18:07

APPLICATION APPROVAL

Section

20:18:07:01	Approval.
20:18:07:01.01	Approval with conditions or for a limited period.
20:18:07:01.02	Insurance required.
20:18:07:02	Qualifying licensee, manager, or agent.
20:18:07:03	Termination of qualifying licensee, manager, or agent.
20:18:07:04	Untrue statements.
20:18:07:05	Transferred.
20:18:07:06	Appeal.
20:18:07:07	Executive secretary approval.

20:18:07:01. Approval. The commission may approve an application that meets all requirements, including the background investigation. The commission may approve a temporary license pending an application for a permanent license and pending the background investigation. The executive secretary may approve or deny applications for support licenses.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

Cross-References: Applications, § 20:18:06:01; Application requirements, SDCL 42-7B-21, 42-7B-25, 42-7B-27, 42-7B-33, and 42-7B-34.

20:18:07:01.01. Approval with conditions or for a limited period. The commission may grant a license with special conditions or for a limited period, or both.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:07:01.02. Insurance required. A retail licensee must furnish proof to the commission that it has at least one million dollars of public liability insurance insuring the public against injury, death, or loss of property on the retail licensee's licensed premises. Upon application of the licensee, the commission may set a different amount. The requirement of this section is a special condition on every retail license issued or renewed after December 31, 1990.

Source: 17 SDR 93, effective January 6, 1991.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18 to 42-7B-22, 42-7B-24 to 42-7B-27.

20:18:07:02. Qualifying licensee, manager, or agent. A license may not be granted unless the applicant designates in the application one or more persons who own a substantial interest in the corporation, partnership, or association and will represent the licensee as a qualifying licensee. In addition, the application must designate a person who will be the manager or agent for the licensee. The manager or agent is the person whom the commission or its agents may contact on behalf of the licensee.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

20:18:07:03. Termination of qualifying licensee, manager, or agent. Upon the termination of a qualifying licensee's, manager's, or agent's affiliation with the licensee, the licensee must name one or more new qualifying licensees, managers, or agents and notify the executive secretary in writing within seven days.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

20:18:07:04. Untrue statements. The commission may refuse to grant a license to an applicant who makes deliberate misstatements, deliberate omissions, misrepresentations, or untruths in the application or in the background investigation.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-19, 42-7B-24, 42-7B-25, 42-7B-27.

20:18:07:05. Transferred to § 20:18:08:02.01.

20:18:07:06. Appeal. If an application for support license is denied by the executive secretary, the applicant may appeal the denial in writing to the commission within 10 days of being notified of the denial. The appeal is a contested case pursuant to SDCL chapter 1-26 and chapter 20:18:11.

Source: 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11.

Cross-Reference: Approval, § 20:18:07:01.

20:18:07:07. Executive secretary approval. The executive secretary may approve an application for a renewal of any license issued by the commission, approve an application for an additional retail license to a person who holds at least one retail license in good standing, and approve the assignment of the location of any retail license in good standing, all subject to the ratification of the commission at the commission's next regular meeting. If the commission does not ratify the executive secretary's actions, any renewed license, additional retail license, or assignment of the location of the license shall be void.

Source: 38 SDR 213, effective June 18, 2012.

General Authority: SDCL 42-7B-7, 42-7B-11(16).

Law Implemented: SDCL 42-7B-7, 42-7B-11(16), 42-7B-23.

CHAPTER 20:18:07.01

SUITABILITY PROCEDURE

Section

20:18:07.01:01 Procedure to determine unsuitability.

20:18:07.01:02 Procedure to determine suitability.

20:18:07.01:01. Procedure to determine unsuitability. A proceeding to determine the unsuitability of a person engaged in gaming or employed by a gaming establishment or of an act or practice may be commenced by the filing of a complaint by an officer, agent, or employee of the commission or by the commission. The complaint must state the facts necessary to support the allegation of unsuitability. The procedure in chapter 20:18:10 must be followed to dispose of the complaint.

Source: 16 SDR 233, effective July 1, 1990; transferred from § 20:18:23:01, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-27, 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-32.

20:18:07.01:02. Procedure to determine suitability. A petition or request to determine suitability of a person or act or practice must be commenced as a request for a declaratory ruling under chapter 20:18:04.

Source: 16 SDR 233, effective July 1, 1990; transferred from § 20:18:23:02, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-27, 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-32.

CHAPTER 20:18:08

ENFORCEMENT

Section

20:18:08:01	Enforcement powers.
20:18:08:02	Information to be furnished by licensee.
20:18:08:02.01	Job descriptions -- List of personnel.
20:18:08:03	Access to premises and production of records.
20:18:08:04	Summoning of licensee.

20:18:08:01. Enforcement powers. The executive secretary or an employee or agent of the commission by direction of the executive secretary may perform the following activities:

(1) Inspect and examine, without notice, premises where gaming is conducted or gaming devices or equipment are located, sold, distributed, or stored;

(2) Without notice of hearing, seize and remove from the premises and impound any gaming equipment or supplies for the purposes of examination and inspection;

(3) At any time of the day or night, inspect, examine and photocopy, or remove and impound all papers, books, and records of applicants and licensees and require verification of income and all matters affecting the enforcement of this title;

(4) To investigate the conduct of all licensees, their employees, and other persons having a material involvement with a licensee or licensed establishment to assist in the enforcement of this article or SDCL 42-7B or to insure that there is no involvement with a licensee or a licensed establishment by unqualified or unsuitable persons.

The commission may assign the executive secretary or other employee or agent of the commission any additional power or authority not enumerated in this section to assist the commission in the performance of its duties under SDCL 42-7B.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11.

20:18:08:02. Information to be furnished by licensee. If changes in the ownership or financial interest in a license occur, a licensee must report to the commission the full name and address of every person, including lending agencies, who has a right to share in the revenues of licensed games, whether as an owner, assignee, landlord, or otherwise or to whom any interest or share in the profits of a licensed game has been pledged or hypothecated as security for a debt or deposited as a security for the performance of an act or to secure the performance of a contract of sale. The report shall be given within 30 days after any change occurring. This rule does not apply to publicly-traded corporations governed by chapter 20:18:30.

Source: 16 SDR 57, effective October 1, 1989; 22 SDR 95, effective January 18, 1996.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11.

20:18:08:02.01. Job descriptions -- List of personnel. A retail licensee must furnish to the executive secretary by the 10th day of each month a written list of all persons employed by the licensee who hold a support or key employee license. The retail licensee must furnish a job title and the gaming support or key license number of the licensee's employees. The retail licensee must identify each employee who is authorized to participate in counts and indicate each count participant who holds an interest in the license and each relationship by blood or marriage that exists between any count team personnel and any other employee on the list, any person holding an interest in the retail license, or other employee in the establishment. The executive secretary, in writing, may demand more frequent notification or allow less frequent notification.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; transferred from § 20:18:07:05, 21 SDR 98, effective November 30, 1994; 23 SDR 126, effective February 13, 1997; 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11)(13).

20:18:08:03. Access to premises and production of records. An applicant or licensee or an employee or agent of an applicant or licensee may not neglect or refuse to produce records or evidence or to give information on lawful demand by the commission, executive secretary, or any agent of the commission or otherwise interfere or attempt to interfere with lawful efforts by the commission or any of its agents to produce such information.

A retail licensee, licensed manufacturer or distributor, associated equipment manufacturer or distributor, sports wagering services provider, and licensed operator must immediately make available for inspection by the commission, executive secretary, or an agent all papers, books, and records produced by gaming business and all portions of the premises where gaming is conducted or where gambling devices or equipment are manufactured, sold, or distributed. A commission agent must be given immediate access to any portion of the premises of a retail licensee, manufacturer or distributor, associated equipment manufacturer or distributor, sports wagering services provider, or operator for the purpose of inspecting or examining records or documents, gaming devices or equipment, or the conduct of gaming activity.

Source: 16 SDR 57, effective October 1, 1989; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(1).

Law Implemented: SDCL 42-7B-7, 42-7B-11(4).

20:18:08:04. Summoning of licensee. The commission may summon any licensee or the agents or employees of the licensee to appear to testify before it or its agents with regard to the conduct of the licensee or the agents or employees of the licensee. The testimony may be under oath and may embrace any matters which the commission or its agents consider relevant to the discharge of its official duties. The summoning of a licensee is a contested case pursuant to SDCL 1-26. Testimony so taken may be used by the commission as evidence in any proceeding or matter then before it or which may later come before it. Failure to appear and testify fully at the time and

place designated, unless excused, may constitute grounds for disciplinary action against a license held by the person summoned, the person's principal, or the person's employer.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

CHAPTER 20:18:08.01

EXCLUSION LIST

Section

20:18:08.01:01 Preparation of exclusion list.

20:18:08.01:02 Criteria for exclusion.

20:18:08.01:03 Distribution of the exclusion list.

20:18:08.01:04 Content of the information for persons on the exclusion list.

20:18:08.01:01. Preparation of exclusion list. The commission may prepare a list of persons to be excluded or ejected from gaming. The commission may consult with gaming jurisdictions, law enforcement agencies, and credible sources, public or private, to prepare the list.

The executive secretary may recommend changes to the list.

Source: 16 SDR 233, effective July 1, 1990; transferred from § 20:18:24:01, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-9, 42-7B-24, 42-7B-33, 42-7B-61, 42-7B-62.

20:18:08.01:02. Criteria for exclusion. The criteria to be applied by the commission to prepare a list of persons to be included on the exclusion list are the criteria set forth in SDCL 42-7B-61, any one of which is sufficient for placement of a person on the list.

The commission, in its discretion, may establish evidence of notorious or unsavory reputation, as that term is used in SDCL subdivision 42-7B-61(3), by identification of a person's criminal activities in a published report of any state or federal legislative or executive body that has inquired into various aspects of criminal activities and in the report or investigation of any state or federal law enforcement agency that has inquired into or investigated criminal activities. This evidence may also include any state or federal crime commission, legislative study or legislative subcommittee study on crime, any presidential commission on crime, or any state or federal law enforcement agency or authority report.

The commission, in its discretion, may establish evidence of conduct that would adversely affect public confidence that gaming is conducted honestly, as that term is used in SDCL subdivision 42-7B-61(4), by any one of the following criteria:

(1) The person's character, background, past activity is incompatible with the maintenance of public confidence and trust in the credibility, integrity, and stability of licensed gaming;

(2) The person's character, background, or past activity could reasonably be expected to impair the public perception of, and confidence in, the strict regulatory process created by SDCL Chapter 42-7B and ARSD Article 20:18;

(3) The person's character, background, or past activity could create or enhance a risk of the fact or appearance of unsuitable, unfair, or illegal practices, methods or activities in the conduct of gaming or in the business or financial arrangements incidental thereto; or

(4) Any other factor reasonably related to the maintenance of public confidence in the efficacy of the regulatory process and the integrity of gaming operations and the gaming industry and its employees.

Race, color, creed, national origin or ancestry, or sex is not a reason for inclusion of a person upon the exclusion list.

Before a name is placed on the exclusion list, the commission shall first informally review the information or evidence in its possession and make a determination that there is sufficient reason to believe that any one of the criteria specified in SDCL 42-7B-61 is applicable to the candidate. At least three commission members shall concur in such decision at an informal investigative hearing conducted by the commission which may be conducted in executive session. No formal meeting of the commission is required to reach such a decision.

Source: 41 SDR 7, effective July 29, 2014.

General Authority: SDCL 42-7B-7, 42-7B-61.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11), 42-7B-61.

20:18:08.01:03. Distribution of the exclusion list. The exclusion list shall be open to public inspection and shall be distributed to each:

- (1) Gaming establishment licensed by the South Dakota commission on gaming;
- (2) Law enforcement agency situated in Lawrence County; and
- (3) Tribal gaming commission situated in the state of South Dakota.

Source: 41 SDR 7, effective July 29, 2014.

General Authority: SDCL 42-7B-7, 42-7B-61.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11), 42-7B-61.

20:18:08.01:04. Content of the information for persons on the exclusion list. If available, the following information and data shall be provided for each excluded person:

(1) The full name and any aliases the person is believed to have used;

(2) A description of the person's physical appearance, including height, weight, type of build, color of hair and eyes, and any other known physical characteristics which may assist in the identification of the person;

(3) Date of birth;

(4) The effective date the person's name was placed on the list; and

(5) A photograph of the person and the date thereof.

Source: 41 SDR 7, effective July 29, 2014.

General Authority: SDCL 42-7B-7, 42-7B-61.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11), 42-7B-61.

CHAPTER 20:18:09

GROUND FOR DISCIPLINARY ACTION

Section

20:18:09:01 Grounds for disciplinary action.

20:18:09:02 Proscribed conduct.

20:18:09:03 Revocation or suspension of other license.

20:18:09:04 Facts of criminal charge.

20:18:09:01. Grounds for disciplinary action. The following acts or omissions are grounds for disciplinary action:

(1) Hiring or employing a person who does not have a support license or key employee license when required by this article;

(2) Permitting persons who are visibly intoxicated to participate in gaming activity;

(3) Service of intoxicating beverages in a gaming area to persons who are visibly intoxicated;

(4) Conducting false or misleading advertising;

(5) Catering to, assisting, employing, or associating with, either socially or in business affairs, persons of notorious or unsavory reputation or who have extensive police records, persons who have defied congressional investigative committees or other officially constituted bodies acting on behalf of the United States or any state, or persons who are associated with or support known criminal organizations;

(6) Employing directly, through a contract or by any other means, a firm or individual in any capacity that may damage the reputation of the city of Deadwood, the State of South Dakota, or the gaming industry because of the unsuitability of the firm or individual or because of the unethical or criminal methods of operation of the firm or individual;

(7) Employing a person who has been denied a gaming license on the grounds of unsuitability by a jurisdiction or who has failed or refused to apply for licensing;

(8) Employing in a gaming operation a person whom a regulatory agency or a court has found guilty of cheating or using an improper device in a game whether as a licensee or player or employing a person whose conduct in a licensed game as a dealer or other employee of a licensee resulted in revocation or suspension of the licensee's license;

(9) Failure to comply with or make provision for compliance with all federal, state, and local laws, rules, regulations, and ordinances, including payment of license fees, sales taxes, use taxes, federal, state, and local income taxes, withholding and payroll taxes, liquor and license fees, and antitrust and monopoly statutes;

(10) Possession in a licensed premise of cards, mechanical devices, implements, or cheating devices;

(11) Conducting, operating, or dealing a cheating or thieving game or device on a licensed location, either knowingly or unknowingly, which may have in any manner been marked, tampered with, or otherwise placed in a condition or operated in a manner which tends to deceive the public or which might make the game more likely to win or lose or which tends to alter the normal random selecting of criteria which determine the results of the game;

(12) When a licensed game or a slot machine is available for play by the public, failure to have a licensed employee of the retail licensee present on the premises to supervise the operation of the game or machine unless the retail licensee utilizes an electronic device or other monitoring equipment approved by the executive secretary pursuant to § 20:18:12.01:16;

(13) Denying any commission member or agent, on lawful demand, access to, inspection of, or disclosure of part of a gaming establishment;

(14) Failure by a support licensee or a key employee to wear in plain view identification issued by the commission;

(15) Failure of a retail licensee to display the license on the premises;

(16) Alteration of a license;

(17) Allowing a license to be used by a person other than the licensee;

(18) Use of promotional items specifically related to gaming play by a support licensee or key employee for personal gain when the promotional items are intended to promote the place of employment;

(19) Contributing to the damage or deterioration of historic buildings or historic features contrary to historic preservation plans, standards, and procedures of the city of Deadwood or the State of South Dakota; and

(20) Willfully or persistently employing unlawful methods of operation or toleration of unlawful methods of operation.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 19 SDR 21, effective August 20, 1992; 19 SDR 177, effective May 27, 1993; 21 SDR 98, effective November 30, 1994; 22 SDR 95, effective January 18, 1996; 25 SDR 95, effective January 20, 1999.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-15, 42-7B-17, 42-7B-18, 42-7B-32, 42-7B-40.

Cross-References: State Historical Society Rules, ch 24:52; Premise monitoring required, § 20:18:12.01:16.

Note: A copy of the historic preservation plans, standards, and procedures of the city of Deadwood may be obtained from the Planning and Preservation Office, City of Deadwood, Deadwood, SD 57732.

20:18:09:02. Proscribed conduct. Any act, whether of the same or of a different character than specified in this article, that constitutes dishonesty or fraudulent conduct, whether arising within or without the pursuit of the license privilege, committed by a licensee is grounds for disciplinary action.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-24, 42-7B-25, 42-7B-32, 42-7B-33, 42-7B-34.

20:18:09:03. Revocation or suspension of other license. A revocation or suspension of a license, regardless of type of license, held by a person employed under this article and SDCL 42-7B, regardless of the jurisdiction or venue of the license, is grounds for disciplinary action.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-24, 42-7B-25, 42-7B-32, 42-7B-33, 42-7B-34.

20:18:09:04. Facts of criminal charge. The charge in any jurisdiction of a licensee with a felony or with a misdemeanor involving moral turpitude is grounds for disciplinary action. The commission may find the licensee guilty of a violation of this article on the facts of the criminal charge even though the licensee has been acquitted on the criminal charge.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-19, 42-7B-20, 42-7B-24, 42-7B-25, 42-7B-27, 42-7B-32, 42-7B-33, 42-7B-34.

CHAPTER 20:18:10

DISCIPLINARY PROCEEDINGS

Section

20:18:10:01	Complaints authorized -- Procedure following filing.
20:18:10:02	Dismissal of complaint.
20:18:10:03	Informal consultation.
20:18:10:04	Assurance of voluntary compliance.
20:18:10:05	Formal proceedings.
20:18:10:06	Contents of commission complaint.
20:18:10:07	Date of hearing.
20:18:10:08	Repealed.
20:18:10:09	Disqualification.
20:18:10:10	Per diem and mileage.
20:18:10:11	Final action by commission.

Cross-Reference: Procedure to follow in licensing matters, SDCL 1-26-16 to 1-26-19.1.

20:18:10:01. Complaints authorized -- Procedure following filing. A person claiming that a licensee has engaged or is engaging in conduct constituting grounds for disciplinary action may file with the executive secretary a written complaint stating the name and address of the licensee complained against. The complaint must fully detail the conduct upon which the complaint is made. If the executive secretary determines the complaint has merit, the executive secretary must immediately serve by mail on the licensee complained against and any other affected parties a copy of the complaint. The licensee complained against has 20 days to answer after service of the complaint. The answer may admit, deny, qualify, or explain the allegations contained in the complaint. A commission member, the executive secretary, or an agent of the commission may file a complaint. The executive secretary may reject a complaint if it does not meet the requirements of this section.

Source: 16 SDR 57, effective October 1, 1989; 22 SDR 95, effective January 18, 1996; 23 SDR 227, effective July 1, 1997.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-27, 42-7B-3, 42-7B-7, 42-7B-31.

20:18:10:02. Dismissal of complaint. After receipt of the answer to the complaint, after the time has expired to answer or after having determined that no answer is necessary, the executive secretary must examine the complaint, any answer, and other supporting documents to determine whether the complaint has merit or is frivolous or whether it charges conduct constituting grounds for disciplinary action. If the executive secretary determines that the complaint is without merit or is frivolous or that it does not charge conduct constituting grounds for disciplinary action, the

executive secretary must dismiss the complaint and notify in writing the complainant, the licensee complained against, and other affected parties, stating the reasons for dismissal. The executive secretary may investigate the complaint and use extrinsic evidence to determine if the complaint has merit.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

20:18:10:03. Informal consultation. If the executive secretary considers the complaint to have merit for disciplinary action, the executive secretary may consult with the licensee and the parties affected in an effort to resolve the matter satisfactorily without a formal hearing. The executive secretary must notify in writing the complainant, the licensee complained against, and affected parties of the results of the informal consultation. The informal consultation does not prevent the commission from conducting a formal hearing.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

20:18:10:04. Assurance of voluntary compliance. The executive secretary may accept an assurance of voluntary compliance regarding any act or practice alleged to violate this article or SDCL 42-7B from a person who has engaged in, is engaging in, or is about to engage in such acts or practices. The assurance must be in writing and may include a stipulation for the voluntary payment of the costs of the investigation or a monetary penalty and an amount necessary to restore to a person money or property which may have been acquired by the alleged violator because of the acts or practices. Proof of failure to comply with the assurance of voluntary compliance is prima facie evidence of a violation of this chapter. The commission may approve, reject, or modify an assurance of voluntary compliance.

Source: 16 SDR 57, effective October 1, 1989; 25 SDR 172, effective July 11, 1999.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-20, 42-7B-7, 42-7B-11(6)(11), 42-7B-18, 42-7B-21, 42-7B-24, 42-7B-25.

20:18:10:05. Formal proceedings. If the executive secretary or commission decides to conduct a formal hearing, after a complaint has been filed and after informal consultation, if any, the executive secretary must mail a notice of hearing to the licensee complained against, the person making the complaint, and other affected parties.

Source: 16 SDR 57, effective October 1, 1989; 23 SDR 227, effective July 1, 1997.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-29, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-19, 42-7B-24, 42-7B-25.

20:18:10:06. Contents of commission complaint. The commission complaint must contain the name of the licensee complained against, the name and address of the person making the complaint, the details of the complaint, and the date of the complaint.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-29, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

20:18:10:07. Date of hearing. The hearing must be held at a time and place convenient to all of the parties concerned.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

20:18:10:08. Answer. Repealed.

Source: 16 SDR 57, effective October 1, 1989; 22 SDR 95, effective January 18, 1996; repealed, 23 SDR 227, effective July 1, 1997.

20:18:10:09. Disqualification. If the complaint was filed by a commission member, that commission member is disqualified from sitting at the hearing as a commission member and from participating in the decision made by the commission. The commission member may appear as a witness and give advice on procedure.

Source: 16 SDR 57, effective October 1, 1989; 23 SDR 227, effective July 1, 1997.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-26, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-19, 42-7B-24, 42-7B-25.

20:18:10:10. Per diem and mileage. The commission may authorize per diem and mileage for complainants, witnesses, and affected parties at informal consultations and for complainants and witnesses at formal hearings. The per diem may not exceed the amounts authorized in SDCL 19-5-1 for per diem and the mileage may not exceed the amounts authorized by §§ 5:01:02:01 and 5:01:02:02.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 1-26-19.1.

Law Implemented: SDCL 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

20:18:10:11. Final action by commission. After hearing the evidence and reaching a decision that the complaint has been proven, the commission may revoke the license, may suspend the license for a particular period of time, may issue a public or private letter of reprimand to be placed in the file of the licensee, or may take any combination of these actions. If the complaint has

not been proved, the commission must dismiss the complaint or the parts of the complaint not proved. A letter of reprimand must state the actions against which a complaint was filed with the names, dates, places, and a list of witnesses involved in the complaint. This section does not prevent the commission from compromising a formal hearing, and the commission may also allow an assurance of voluntary compliance. Written findings of fact, conclusions of law, and an order must be entered after the decision. The commission may allow or require briefs of law before making its decision.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-20, 1-26-25, 1-26-27, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

CHAPTER 20:18:11

CONTESTED CASES

Section

20:18:11:01 Petition for hearing.

20:18:11:02 Petition for review.

Cross-Reference: Procedure to follow in contested cases, SDCL 1-26-16 to 1-26-29.

20:18:11:01. Petition for hearing. A person aggrieved by an action of the commission or the executive secretary that was taken without a hearing may, within 30 days following the date of the action, petition the commission for a hearing. The hearing must be held at a time and place convenient for the commission and the petitioner. The hearing is a contested case.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-16, 1-26-18, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

20:18:11:02. Petition for review. Within 10 days after receipt of a commission decision, a party to the hearing may file with the commission a petition to review its decision. The commission, in its discretion, may deny the petition, order a rehearing, or direct other proceedings. Upon rehearing or other proceedings, the commission may affirm, reverse, or modify its earlier decision. Notice of the commission's decision on the petition to review must be served by mail on the petitioner and affected parties.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 1-26-18, 1-26-25, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26.

CHAPTER 20:18:12

SUMMARY SUSPENSION PROCEDURE

Section

20:18:12:01	Class A violation -- Class B violation.
20:18:12:02	Grounds for summary suspension.
20:18:12:03	Notice.
20:18:12:04	Complaint required.

20:18:12:01. Class A violation -- Class B violation. Class A violations include the following:

- (1) Conviction of a misdemeanor involving moral turpitude or a felony;
- (2) Violation of SDCL 42-7B-23, 42-7B-26, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-31, 42-7B-35, 42-7B-39, 42-7B-40, 42-7B-41, 42-7B-42, or 42-7B-45;
- (3) A deliberate misstatement, deliberate omission, misrepresentation, or untruth made in an application or during the background check that was not discovered before the license was granted;
- (4) Refusal to allow access to premises or records under chapter 20:18:08;
- (5) Failure to maintain the minimum bankroll requirement as set forth in Article 20:18, Appendix A, § 535.5; and
- (6) Failure to notify the executive secretary of a deficiency in the licensee's cash or cash equivalency as provided by § 20:18:12.01:04.

A Class B violation is other than a Class A violation.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 39 SDR 168, effective April 22, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-32.

20:18:12:02. Grounds for summary suspension. The commission or the executive secretary may immediately suspend for not more than 60 days the license of a licensee who is charged with a Class A violation under this article; who has been charged in South Dakota with a felony; who has been charged in any other jurisdiction for a crime that would be a felony if committed in South Dakota; who has been charged with a violation of any section of SDCL 22-11, 22-12A, 22-14, 22-14A, 22-16, 22-18, 22-19, 22-22, 22-23, 22-25, 22-29, 22-30, 22-30A, 22-32, 22-33, 22-39, 22-41, 22-42, 22-42A, or 22-43; or who has been charged with the commission of any crime of violence as defined by SDCL 22-1-2(9).

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-24, 42-7B-25, 42-7B-32, 42-7B-33, 42-7B-34.

20:18:12:03. Notice. The executive secretary must deliver a notice of suspension personally or by mail to the licensee who has been suspended. The notice must state when the suspension will begin and end and must state the reasons for the suspension.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-24, 42-7B-25, 42-7B-32, 42-7B-33, 42-7B-34.

20:18:12:04. Complaint required. The executive secretary must serve upon the suspended licensee a formal commission complaint alleging a violation of this article and a notice of hearing within five days after the receipt of the suspension notice by the licensee. The complaint must be heard by the commission on an expedited basis as a contested case pursuant to SDCL 1-26.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-24, 42-7B-25, 42-7B-32, 42-7B-33, 42-7B-34.

CHAPTER 20:18:12.01

OPERATION OF GAMING ESTABLISHMENTS

Section

20:18:12.01:01	Gaming by licensees.
20:18:12.01:02	Discovery of violations.
20:18:12.01:03	Changing of games.
20:18:12.01:04	Unauthorized games.
20:18:12.01:05	Unlicensed games or devices.
20:18:12.01:06	Notice to commission of hours of operation.
20:18:12.01:07	Patron disputes.
20:18:12.01:07.01	Entitlement to slot machine credits or payouts and to abandoned monies.
20:18:12.01:08	Forms of wagers.
20:18:12.01:08.01	Amount of wagers.
20:18:12.01:09	Persons not to bring their own cards, dice, or chips.
20:18:12.01:10	Special rules of conduct.
20:18:12.01:11	Use of counting device prohibited.
20:18:12.01:12	Mandatory count procedure.
20:18:12.01:13	Handling of cash.
20:18:12.01:14	Minimum bankroll requirements.
20:18:12.01:15	Compliance with Gaming Internal Control and Revenue Reporting Manual.
20:18:12.01:16	Premise monitoring required.
20:18:12.01:17	Pit boss requirement.
20:18:12.01:18	Use of electronic communication devices prohibited.
20:18:12.01:19	Manned surveillance rooms.
20:18:12.01:20	Use of licensed gaming tables for training dealers.
20:18:12.01:21	Training licensed dealers.
20:18:12.01:22	Legal age to gamble - notification requirement.
20:18:12.01:23	Age of participants.

20:18:12.01:01. Gaming by licensees. A person who is licensed as a key employee, operator, sports wagering services provider, or retailer may not play or be permitted to play or place a wager, except as a dealer, in any game in the licensed establishment where the person is employed or in which the person owns an interest except as permitted by this section. A licensee may play in a poker game but must wear an identification badge furnished by the commission.

No licensee employed by a manufacturer, distributor, or an associated equipment manufacturer or distributor licensed under SDCL chapter 42-7B may play any device operating on a slot management system that the manufacturer sells or leases or play any device that the manufacturer sells or leases.

No licensee employed by a sports wagering services provider under SDCL chapter 42-7B may play any device or program that the sports wagering services provider sells, leases or operates in South Dakota.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 18 SDR 9, effective July 23, 1991; transferred from § 20:18:21:03, 21 SDR 98, effective November 30, 1994; 22 SDR 189, effective July 11, 1996; 41 SDR 7, effective July 29, 2014; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:12.01:02. Discovery of violations. A licensee must immediately notify the executive secretary of the discovery of a violation or of a suspected violation of SDCL 42-7B or this article.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:05, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:12.01:03. Changing of games. Before substituting an authorized game with a different authorized game, a licensee must request and receive permission of the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:06, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:12.01:04. Unauthorized games. A licensee may not permit the operation of any unauthorized games in a licensed retail establishment.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:07, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

Cross-Reference: Authorized games, § 20:18:14:01.

20:18:12.01:05. Unlicensed games or devices. If a licensee desires to suspend a game from a licensed status, the licensee must provide advanced written notice to the executive secretary stating the type and number of games sought to be suspended and the initial date and duration of the proposed suspension. The licensee must thereafter physically remove the gaming device from an area exposed to the public.

A gaming device may remain in a public area while it is licensed if the licensee removes from the gaming device all detachable fixtures such as drop boxes, chip racks, and other similar removable items or covers any nondetachable chip rack and any chip rack space with a device

capable of being locked and sealed in place. The gaming device must be inspected and sealed by the executive secretary or a designee before it is allowed to remain in a public area.

Before any game or gaming device suspended from a licensed status may be reactivated and placed into play, the licensee must advise the executive secretary in writing of the licensee's intention and pay all fees and taxes applicable to the game. After the reinspection and unsealing of a gaming device previously sealed, the game may be exposed for play.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:08, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:12.01:06. Notice to commission of hours of operation. A licensee must notify the commission in writing of its normal hours of operation.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 18 SDR 9, effective July 23, 1991; 19 SDR 21, effective August 20, 1992; transferred from § 20:18:21:11, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:12.01:07. Patron disputes. In a patron dispute, a licensee must notify the disputing patron that the patron has a right to have a commission agent present when the dispute is discussed or resolved.

If a licensee refuses payment of alleged winnings to a patron, the licensee and the patron are unable to resolve the dispute to the patron's satisfaction, or the dispute involves at least \$250, the licensee must immediately notify the executive secretary or a designee. A licensee may immediately review available surveillance or slot machine event logs prior to contacting the executive secretary to help determine if a payout, cards played, or procedures followed were correct in determining if the event is disputed. The executive secretary shall conduct whatever investigation is necessary. Following the investigation, if necessary, the executive secretary shall render a decision on the dispute.

The executive secretary must notify the licensee and the patron in writing of the executive secretary's decision regarding the dispute within 30 days after the date that the notice of the dispute was first received. A patron or a licensee aggrieved by a decision of the executive secretary or a designee may appeal to the commission.

A licensee's failure to notify the executive secretary, failure to notify the patron of the patron's rights, or failure to pay after an adverse decision is grounds for disciplinary action.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:12, 21 SDR 98, effective November 30, 1994; 29 SDR 107, effective February 2, 2003; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-3, 42-7B-7, 42-7B-11(13).

Cross-Reference: Petition for hearing, § 20:18:11:01.

20:18:12.01:07.01. Entitlement to slot machine credits or payouts and to abandoned monies. A patron must be actively engaged in playing a slot machine to be entitled to any credits or payouts from the slot machine. If a patron leaves a slot machine with credits on the machine, the patron waives any right to claim these credits. Any credits removed from a slot machine or tickets found shall be taken to the cage while any investigation for the owner of the credits or tickets is conducted. Upon completion of an investigation, the credits or tickets will either be returned to the owner or dropped in the accounting lockbox to be treated as an unclaimed ticket. No unclaimed ticket may remain in the cage for more than 48 hours.

If a patron abandons chips, tokens or cash in a licensed gaming establishment or on a licensed gaming table, the patron waives any right to claim the chips, tokens or cash. Any chips, tokens or cash found in a licensed gaming establishment including chips, tokens or cash abandoned on a licensed gaming table shall be taken to the cage while any investigation for the owner of the chips, tokens or cash is conducted. Upon completion of an investigation, the monies will be returned to the owner or recorded as found money on the daily cash summary at the end of the shift.

This rule does not require that an investigation be conducted.

Source: 36 SDR 112, effective January 11, 2010; 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13).

20:18:12.01:08. Forms of wagers. All wagers must be made with coins or currency provided by the patron or with chips, tickets, or tokens furnished by the retail licensee.

Source: 16 SDR 57, effective October 1, 1989; 17 SDR 93, effective January 6, 1991; transferred from § 20:18:21:14, 21 SDR 98, effective November 30, 1994; 36 SDR 112, effective January 11, 2010.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:12.01:08.01. Amount of wagers. A licensee may establish minimum and maximum wagers up to the maximum of one thousand dollars for each initial bet or subsequent bet. The amount of the maximum wager may be less than the one thousand dollar maximum. The minimum and maximum wagers accepted for each game shall be clearly posted and enforced by the dealer.

Source: 27 SDR 73, effective January 30, 2001; 39 SDR 168, effective April 22, 2013; 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-14.

20:18:12.01:09. Persons not to bring their own cards, dice, or chips. A person may not bring onto a gaming site or introduce into a game playing cards, dice, or chips other than those obtained from a retail licensee.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:17, 21 SDR 98, effective November 30, 1994; 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:12.01:10. Special rules of conduct. With approval of the executive secretary, a retail licensee may establish rules of conduct for players and spectators on its licensed site.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:18, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:12.01:11. Use of counting device prohibited. A player may not use a device to record or count the cards played.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:19, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:12.01:12. Mandatory count procedure. A licensee must report to the executive secretary the time or times when drop boxes and drop buckets will be removed and the contents counted. All drop boxes and drop buckets must be removed and counted at the time or times previously designated to the executive secretary. Slot machine drops and counts may be performed at times other than the reported time providing the executive secretary is notified by 5:00 p.m. on the day prior to the change in times or if the executive secretary requires a change of authorized times. Counting of table boxes at any time other than the designated time is prohibited unless the licensee provides advance notice to the executive secretary during normal office hours (M-F 8:00 a.m. to 5:00 p.m.) or if the executive secretary requires a change in authorized times. Each operator or retailer is required to maintain written logs documenting removal times of table boxes. These logs must be made available to the commission or executive secretary upon request.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; transferred from § 20:18:22:13, 21 SDR 98, effective November 30, 1994; 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-9.1, 42-7B-11(1)(11)(13), 42-7B-43.

20:18:12.01:13. Handling of cash. An employee, owner, or licensee who receives currency of the United States, other than tips or gratuities, from a patron in the gaming area of a gaming establishment must promptly place the currency in the drop box in the table, in an appropriate place on the table, in the cash register, or in another repository approved by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:22:14, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:12.01:14. Minimum bankroll requirements. A licensee, including a manufacturer upon the prior approval by the executive secretary, must maintain cash or cash equivalents in an amount sufficient to protect the licensee's patrons against defaults in gaming debts owed by the licensee.

Each licensee shall maintain the minimum bankroll requirement according to the formula set forth at Article 20:18, Appendix A, § 535.5. The licensee is required to maintain at least 85 percent of the "immediate exposure" calculation in cash which shall be available to the cashier. If at any time the licensee's available cash or cash equivalents are less than the amount required by the "immediate exposure" calculation, the licensee must immediately notify the executive secretary of this deficiency. Once a month, the licensee must calculate and retain the documentation for the "thirty-day exposure" calculation. If the licensee shows a cash deficiency based on the "thirty-day exposure" calculation, the licensee must notify the executive secretary. Failure to maintain the minimum bankroll required by this section, or failure to notify the executive secretary of any deficiencies is an unsuitable method of operation and may result in disciplinary action including summary suspension of a license as set forth in chapter 20:18:12.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; transferred from § 20:18:22:15, 21 SDR 98, effective November 30, 1994; 29 SDR 147, effective May 6, 2003; 38 SDR 213, effective June 18, 2012; 39 SDR 168, effective April 22, 2013; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

Cross-Reference: Article 20:18, Appendix A, § 535.5.

20:18:12.01:15. Compliance with Gaming Internal Control and Revenue Reporting Manual. All licensees must comply with the Gaming Internal Control and Revenue Reporting Manual located in Appendix A at the end of this article unless an exemption or deviation is approved by the executive secretary.

Source: 19 SDR 21, effective August 20, 1992; transferred from § 20:18:21:24, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7, 42-7B-25.1.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15, 42-7B-17, 42-7B-25.1.

20:18:12.01:16. Premise monitoring required. If two or more buildings are adjacent, share a common or party wall, have interior access, and share a common operator or route operator, a

licensed employee may use an electronic device or other monitoring equipment approved by the executive secretary to comply with the requirements of SDCL 42-7B-40.

Source: 25 SDR 4, effective July 27, 1998.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-40.

20:18:12.01:17. Pit boss requirement. If a licensee offers blackjack, craps, roulette or house banked poker games with a bet limit in excess of one hundred dollars, a pit boss or other licensed dealer shall be present in the area of the table with such bet limit and provide supervision of the game while it is operating.

If the pit boss is functioning as a dealer at a gaming table, any decisions at that table normally reserved for the pit boss shall be referred to the pit boss's immediate supervisor for resolution.

Source: 38 SDR 213, effective June 18, 2012; 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:12.01:18. Use of electronic communication devices prohibited. The use of electronic devices for communication while seated at any player banked gaming table is prohibited. No electronic device may be placed on any licensed table game. The executive secretary may grant specific written exceptions for an individual with a documented medical condition causing an impediment which substantially limits the individual's ability to participate in games. The individual who is granted an exception must agree to allow a casino access to any electronic device used in the accommodation to ensure that the device is not being used to gain an unfair advantage in the game.

Source: 41 SDR 7, effective July 29, 2014; 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7-B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:12.01:19. Manned surveillance rooms. Any licensee that operates house banked table games with a bet limit in excess of \$500 must have a manned surveillance room operating when house banked table games are open for play.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:12.01:20. Use of licensed gaming tables for training of dealers. The use of a licensed gaming table for training a licensed dealer is allowable provided the business licensee restricts access to the table by use of a barrier and places signage approved by the executive secretary indicating the table is being used for training purposes only.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:12.01:21. Training licensed dealers. A licensee who offers table games shall ensure that appropriate training has been given to licensed employees on the operation of each game. The licensee shall maintain a written log of all training provided each licensed employee for a period of three years. The training records must include the name of licensed employees who provided and received the training and the date, hours, and type of training received.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:12.01:22. Legal age to gamble - notification requirement. All licensed gaming establishments shall prominently display a sign at each entrance to a licensed establishment which notifies the public in a conspicuous manner that gaming patrons must be 21 years of age to gamble. All licensed gaming devices shall have a sign permanently affixed to the device notifying the public that gaming patrons must be 21 years of age to gamble.

Source: 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-35.

20:18:12.01:23. Age of participants. No licensee may allow any person under 21 years of age to gamble, loiter in the gaming area of a casino or be present at a gambling table, slot machine or other area in which gambling is conducted unless an exemption or deviation from this rule is approved by the executive secretary. Nothing shall prevent any person under 21 years of age from passing through a casino to nongaming areas.

Source: 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-35.

CHAPTER 20:18:13

INTEGRITY OF EQUIPMENT

Section

20:18:13:01	Prior approval required.
20:18:13:02	Testing.
20:18:13:03	Appeal.
20:18:13:04	Report of methods of cheating on device.

20:18:13:01. Prior approval required. No equipment, machine, or device may be used for gaming without prior approval of the executive secretary or a designee. The approval must be in writing and must particularly describe the equipment, machine, or device.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-36, 42-7B-43.

20:18:13:02. Testing. The executive secretary may require equipment, machines, or devices to be tested before approval. The executive secretary may require the payment of costs. Approval of the equipment, machine, or device must be stayed pending payment of the costs and testing of the equipment.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-36, 42-7B-43.

20:18:13:03. Appeal. If approval is denied by the executive secretary or a delegated agent of the commission, the applicant for approval may appeal the denial in writing to the commission within 10 days of being notified after the denial. The appeal is a contested case pursuant to SDCL 1-26.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7.

20:18:13:04. Report of methods of cheating on device. All manufacturers and distributors of gaming devices must report all discovered or suspected methods of cheating a device that may compromise the integrity of the device in any way. The report must be made to the commission or the executive secretary within 14 days after the discovery.

Source: 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-7, 42-7B-43.

CHAPTER 20:18:14

AUTHORIZED GAMES

Section

20:18:14:01 Authorized games.

20:18:14:02 Start of gaming.

Declaratory Ruling: The Commission on Gaming does hereby declare and determine that Elektroncek's electronic gaming device with a roulette theme, also known as the Mechanical Double Zero Roulette game, constitutes a slot machine according to the statutes and rules relating to gaming in Deadwood and, therefore, may be operated in licensed casinos in Deadwood, South Dakota. South Dakota Commission on Gaming Declaratory Ruling dated June 26, 2009.

20:18:14:01. Authorized games. The following games are authorized:

- (1) Blackjack;
- (2) Poker;
- (3) Slot machines;
- (4) Craps;
- (5) Roulette;
- (6) Keno; and
- (7) Wagering on sporting events.

Source: 16 SDR 57, effective October 1, 1989; 41 SDR 218, effective July 1, 2015; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:14:02. Start of gaming. No licensee may start gaming without written authority from the executive secretary.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-17.

CHAPTER 20:18:14.01

TOURNAMENTS

Section

- 20:18:14.01:01 Definitions.
- 20:18:14.01:02 Prior approval of executive secretary needed.
- 20:18:14.01:03 Statement to executive secretary.
- 20:18:14.01:04 Buy-in results in player's receipt of chips.
- 20:18:14.01:05 Licensee may determine purse.
- 20:18:14.01:06 Amount retained by licensee.
- 20:18:14.01:07 Chips.
- 20:18:14.01:08 Report to commission.
- 20:18:14.01:09 Inspections and specifications.
- 20:18:14.01:10 Inspection of software.
- 20:18:14.01:11 Random tournament seating.

20:18:14.01:01. Definitions. Terms used in this chapter mean:

(1) "Game tournament," an organized poker, blackjack, craps, or roulette game approved by the executive secretary in which a player pays a "buy-in" and receives a prescribed number of chips;

(2) "Slot tournament," an organized event, sponsored by one or more licensees, that permits a player to either purchase or be awarded the opportunity to engage in competitive play against other players;

(3) "Tournament buy-in," an advertised amount paid by each player to participate in a game tournament which entitles the player to receive a prescribed number of chips. The tournament buy-in amount is included in the tournament prize pool except for that portion that may be retained as a tournament entry fee;

(4) "Tournament entry fee," a percentage of the tournament buy-in that may be retained by the licensee as adjusted gross proceeds. The maximum amount that may be retained by the licensee is limited pursuant to § 20:18:14.01:06;

(5) "Tournament prize pool," is a prize pool comprised of the tournament buy-in and any other items or amounts given by the licensee and awarded to the participants in the game or slot tournament.

Source: 19 SDR 21, effective August 20, 1992; 19 SDR 177, effective May 27, 1993; 34 SDR 200 effective January 29, 2008; 38 SDR 116, effective January 10, 2012; 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

Declaratory Ruling: A tournament entry fee is a buy-in which is defined by ARSD 20:18:14.01:01(3) as an advertised entry fee paid by a player to participate in a game tournament or slot tournament conducted by a licensed establishment in Deadwood and entitles the player to receive a prescribed number of chips. The Commission does further declare and determine that the entry fee, or buy-in, defined in ARSD 20:18:14.01:01(3) does not amount to a bet as defined under SDCL 42-7B-4(2) and, therefore, is not subject to the maximum amount of an initial bet or subsequent bet pursuant to SDCL 42-7B-14. The Commission does further declare and determine that this declaratory ruling is specifically limited to game tournaments and slot tournaments conducted by establishments licensed by the Commission and located within the city limits of Deadwood, South Dakota. South Dakota Commission on Gaming Declaratory Ruling dated July 12, 2005.

20:18:14.01:02. Prior approval of executive secretary needed. A game tournament must have prior approval of the executive secretary. A slot tournament that contains a tournament entry fee retained by the licensee must have prior approval of the executive secretary.

Source: 19 SDR 21, effective August 20, 1992; 19 SDR 177, effective May 27, 1993; 38 SDR 116, effective January 10, 2012.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-11(13).

20:18:14.01:03. Statement to executive secretary. Before a game or slot tournament begins, the licensee must submit to the executive secretary a written statement containing the rules, places which will be declared winners, betting structure of tournament, additional buy-in opportunities, disbursements of the prize money, and the dates of the tournament. However, if the tournament buy-in is \$50 or less per player, the dates on which the tournament may be conducted are at the discretion of the licensee.

Before a slot tournament begins, the licensee must also notify the executive secretary in writing of the number of slot machines involved in the slot tournament and must identify each machine by make, model, serial number, and South Dakota stamp identification number.

Before a game tournament begins, the licensee must also notify the executive secretary in writing of the number of tables involved in the game tournament and must identify each table by its South Dakota stamp identification number.

Source: 19 SDR 21, effective August 20, 1992; 19 SDR 177, effective May 27, 1993; 32 SDR 32, effective August 30, 2005; 34 SDR 200, effective January 29, 2008; 41 SDR 7, effective July 29, 2014.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-9.1, 42-7B-11(13), 42-7B-15.

20:18:14.01:04. Buy-in results in player's receipt of chips. As a result of a player's buy-in, the player receives a prescribed number of chips. Additional buy-ins are permitted in the executive secretary's discretion, however, unconditional additional buy-ins are prohibited.

Source: 19 SDR 21, effective August 20, 1992; 19 SDR 177, effective May 27, 1993; 41 SDR 7, effective July 29, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11, 42-7B-15.

20:18:14.01:05. Licensee may determine purse. The licensee may determine the amount of the purse by utilizing any method approved by the executive secretary. The number of winning places shall be determined by the licensee and submitted to the executive secretary prior to the commencement of a tournament.

Source: 19 SDR 21, effective August 20, 1992; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11, 42-7B-15.

20:18:14.01:06. Amount retained by licensee. No more than ten percent of the total tournament buy-ins may be retained by the licensee as a tournament entry fee, which fee shall be included as part of adjusted gross proceeds. The adjusted gross proceeds do not include any mandatory gratuities as described in the rules of the tournament and paid to the licensed dealers.

Source: 19 SDR 21, effective August 20, 1992; 34 SDR 200, effective January 29, 2008.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11, 42-7B-15.

20:18:14.01:07. Chips. Chips used in any tournament must be different chips than otherwise authorized by this article. The licensee shall determine the value assigned to the chip for tournament play. All chips must be accounted for by the licensee.

Source: 19 SDR 21, effective August 20, 1992; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11, 42-7B-15.

Cross-Reference: Chips and tokens, ch 20:18:20.

20:18:14.01:08. Report to commission. At the conclusion of a tournament, the licensee shall prepare a written report containing a list of all participants, winners, places taken, amount of prizes awarded, and the amount of funds retained by the licensee. If the amount of funds retained by the licensee from the tournament are \$250 or more, the licensee will provide a copy of the report to the commission within 48 hours after the conclusion of the tournament. The licensee shall maintain this list in the licensee's records for three years.

Source: 19 SDR 21, effective August 20, 1992; 19 SDR 177, effective May 27, 1993; 23 SDR 227, effective July 1, 1997; 34 SDR 100, effective October 18, 2007; 40 SDR 121, effective January 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-15.

20:18:14.01:09. Inspections and specifications. All slot machines used in tournament play must be inspected by agents or employees of the commission prior to commencement of a tournament. All slot machines used in a slot tournament must meet the specifications outlined in chapters 20:18:17 and 20:18:18. For tournament play, the commission may waive the percentage requirement of § 20:18:17:22.

Source: 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11, 42-7B-15.

20:18:14.01:10. Inspection of software. All software used in tournament play must be inspected and approved by agents or employees of the commission prior to commencement of a tournament.

Source: 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11, 42-7B-15.

20:18:14.01:11. Random tournament seating. Tournament seats must be randomly assigned by a method approved by the executive secretary.

Source: 41 SDR 7, effective July 29, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

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CHAPTER 20:18:15

BLACKJACK

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Declaratory Ruling: The Commission on Gaming does declare and determine that Monopoly Black Jack meets the statutory definition of "black jack" as defined in SDCL 42-7B-4(3). The Commission does further declare and determine that Monopoly Black Jack does not meet the statutory definition of a "slot machine" as defined in SDCL 42-7B-4(21). The Commission does further declare and determine that the Monopoly Black Jack game constitutes one "gaming device" as defined by SDCL 42-7B-4(6A) for purposes of compliance with SDCL 42-7B-16 and 42-7B-23. The Commission does further declare and determine that as Monopoly Black Jack is one "gaming device" the initial wager on standard black jack and the side bet on the Monopoly bonus game together cannot exceed more than \$100 and that petitioner will be entitled to offer the game of Monopoly Black Jack in Deadwood after the proper promulgation of rules authorizing Monopoly Black Jack as a variation of the game of black jack. South Dakota Commission on Gaming Declaratory Ruling dated October 1, 2002.

20:18:15:01. Definitions. Terms used in this chapter mean:

- (1) "Blackjack," an ace and a second card with a point value of ten dealt as the initial two cards to a player or the dealer. Blackjack may not include an ace and a ten-point value card dealt to a player who has split pairs;
- (2) "Dealer," the person responsible for dealing the cards at a blackjack table;
- (3) "Hard total," the total point count of a hand which contains no aces or which contains aces that are counted as one in value;

(4) "Shoe," a dealing device that has a compartment in which cards are stacked and that permits cards to be dealt at any given time;

(5) "Soft total," the total point count of a hand containing an ace when the ace is counted as eleven in value;

(6) "Tip bet," a wager placed by the player on behalf of the dealer.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:01.01. Types of blackjack authorized. The retail licensee may conduct the following blackjack games:

- (1) Rainbow 21;
- (2) Ten sticks 21;
- (3) 21 + 3;
- (4) Lucky ladies blackjack;
- (5) Progressive blackjack;
- (6) STREAK blackjack;
- (7) Buster blackjack;
- (8) Winners option blackjack;
- (9) Blackjack switch;
- (10) Dealer Bust 21;
- (11) Dead Man's Hand blackjack;
- (12) War blackjack;
- (13) Lucky Lucky blackjack;
- (14) Free Bet blackjack;
- (15) Bonus Spin Counts Kustom blackjack;
- (16) Bust Bonus;
- (17) TriLux Bonus blackjack with Super 3;
- (18) Triple Win 20; and
- (19) Blazing 7's Progressive.

Source: 37 SDR 131, effective January 10, 2011; 40 SDR 101, effective December 2, 2013; 42 SDR 77, effective November 30, 2015; 42 SDR 146, effective May 3, 2016; 44 SDR 151, effective April 30, 2018; 45 SDR 142, effective May 28, 2019.

General Authority: SDCL 42-7B-4(3), 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:02. Cards. The value of the cards contained in a deck of cards is as follows:

- (1) A card from 2 to 10 has its face value;
- (2) A jack, queen, or king has a value of 10; and
- (3) An ace has a value of 11 unless that would give a player or the dealer a score in excess of 21, in which case it has a value of one.

A standard blackjack deck must contain 52 cards in four suits, hearts, diamonds, clubs, and spades, with each suit consisting of numerical cards from 2 to 10 and a jack, a queen, a king, and an ace.

The back of the cards must display a mirror image design approved by the executive secretary.

More than one deck of cards may be used for play at blackjack.

Any cards which have been opened and placed on house banked table games which are handled by players shall be removed from play and cancelled in twenty-four (24) hours or less.

Source: 16 SDR 57, effective October 1, 1989; 23 SDR 126, effective February 13, 1997; 41 SDR 7, effective July 29, 2014.

General Authority: SDCL 42-7B-7, 42-7B-11.

Law Implemented: SDCL 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-15.

20:18:15:03. Wagers. Before the first card is dealt for a round of play, a player may make a wager of not more than the posted table limit against the dealer. The player wins the wager if any of the following events occur:

- (1) The sum of the player's cards is 21 or less and the sum of the dealer's cards is more than 21;
- (2) The sum of the player's cards exceeds that of the dealer without either exceeding 21; or
- (3) The player has blackjack and the dealer does not.

Source: 16 SDR 57, effective October 1, 1989; 27 SDR 73, effective January 30, 2001; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-15.

20:18:15:04. Push -- Exceptions. A wager is void and returned to the player when the sum of the player's cards is the same as the dealer, but a player's wager is lost if the dealer has a blackjack and the sum of the player's cards is 21 and not a blackjack.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:05. Wagering rules. Except when splitting pairs, doubling down, surrendering, or making an insurance wager, no wager may be increased or withdrawn after the first card of a round has been dealt. All wagers at blackjack must be made by placing gaming chips, tokens, or coins on the appropriate areas of the blackjack layout.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:06. Payment of wagers. Winning wagers must be paid at odds of at least one to one with the exception of blackjack which must be paid at odds of at least three to two. In the case of a single-deck game, the operator may choose to pay a winning blackjack at the odds of at least six to five.

Source: 16 SDR 57, effective October 1, 1989; 39 SDR 100, effective December 3, 2012.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-15.

20:18:15:07. Handling of wagers. Except for splitting pairs, surrendering, insurance, and doubling down, once the first card of the hand has been dealt by the dealer, no player may handle, remove, or alter any wagers that have been made until the hand has been completed. After a wager on the insurance line, a surrender, a wager to double down, or a wager to split pairs has been confirmed by the dealer, no player may handle, remove, or alter the wagers until the hand is completed. No dealer or other employee of the licensee may permit a player to violate this section.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:08. Inspection of cards. After receiving the cards at the table, the dealer must sort and inspect the cards.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:09. Presentation of cards. After the cards are sorted and inspected, the cards must be spread out, faced upward on the table, for visual inspection by the players. The cards must be spread out in horizontal fan shaped columns by deck according to suit and sequence.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:10. The shuffle and reshuffle. After the players inspect the cards, the cards must be turned face downward on the table, mixed thoroughly, and stacked. After each stack of cards is dealt, the dealer must reshuffle the cards so that they are randomly intermixed. A reshuffle of the cards must take place after the cutting card is reached and before the dealer deals all of the cards. The retail licensee may reshuffle the cards at its discretion.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:11. Cut. After the cards have been shuffled, the dealer must offer the stack of cards with the backs facing away to the cutting player to be cut. The cutting player may cut the cards by placing the cutting card in the stack at least five cards from either end. Once the cutting card has been inserted by the player, the dealer must take all cards in front of the cutting card and place them on the back of the stack after which the dealer must insert the cutting card in a position between the center and the back of the stack. If a shoe is used, the stack of cards must then be inserted into the dealing shoe for the beginning of play; otherwise, the cards may be dealt from the hand.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:12. Cutting player. The dealer must make a reasonable attempt to alternate the cut among all players.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:13. Proposals for variations. Upon written application of a retail licensee, the executive secretary may approve variations in the shuffle, deal, cut card placement, number of cut cards including shuffle techniques without the use of any cut cards, where the shuffle takes place, who is responsible for shuffling, shuffling equipment, dealing devices, and any burn card procedures.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:13.01. Over/Under 13 variation. Repealed.

Source: 18 SDR 9, effective July 23, 1991; repealed, 19 SDR 21, effective August 20, 1992.

20:18:15:14. Procedure for dealing cards. Cards used to play at blackjack must be dealt from the hand or from a dealing shoe specifically designed for the purpose and located on the table on the left of the dealer. A dealer must remove cards from the shoe or the deck and then place them on the appropriate area of the layout.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:15. Burn procedure. At the discretion of the retail licensee, the dealer may deal the first card face downward and place it in the discard rack which must be located on the table

immediately in front of or to the right of the dealer. A new dealer who comes to the table may also burn one card before the new dealer deals cards to the players. At the discretion of a retail licensee, the burn card may be disclosed upon request.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:16. The deal. At the beginning of a round of play, the dealer must, starting on the left and continuing clockwise around the table, deal the cards in the following order:

- (1) One card face downward or upward to each box on the layout in which a wager is contained;
- (2) One card face upward to the dealer;
- (3) A second card, face downward or upward to each box in which a wager is contained; and
- (4) One card face downward to the dealer.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:17. The play. After two cards have been dealt to each player and to the dealer, each player must double down, surrender, split pairs, stand, draw, or make an insurance wager. As each player indicates a decision, the dealer must deal whatever additional cards are necessary.

Source: 16 SDR 57, effective October 1, 1989; 35 SDR 82, effective October 22, 2008.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4, 42-7B-7, 42-7B-15.

20:18:15:18. The pickup. At the conclusion of a round of play, all cards on the layout must be picked up by the dealer in such a manner that they can be readily arranged to indicate each player's hand in case of question or dispute. When the value of a player's cards exceeds 21, that player's cards shall be revealed and placed in the discard rack.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:19. Dealer's hole card. The dealer may not look at the face of the dealer's hole card until after all cards requested by the players are dealt to them unless the dealer's first card is an ace or has the value of ten.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:20. Dealing after cutting card reached. If the cutting card is reached during the deal of the cards, the dealer must continue dealing until that round of play is completed.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:21. Prohibited acts. No player or spectator may remove or alter any cards except as provided by this chapter, and no dealer or other employee of the licensee may permit a player or spectator to engage in such activity.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:21.01. Exposing hand. When an active player exposes the player's hand to another active player, all other players at the table have the right to see the exposed hand. If the player who exposed the hand or the player who saw the exposed hand refuses, both of their hands shall be declared dead.

Source: 18 SDR 9, effective July 23, 1991.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:22. Point counts. A player is responsible for correctly computing the point count of the player's hand, and no player may rely on the point counts announced by the dealer.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:23. Insurance wagers. If the first card dealt to the dealer is an ace, a player may make an insurance bet which wins if the dealer's hole card is a king, queen, jack, or ten and loses if the dealer's hole card is an ace, two, three, four, five, six, seven, eight, or nine. An insurance bet is made by placing on the insurance line of the layout an amount not more than half the amount staked on the player's initial wager. A player may bet an amount in excess of half the initial wager to the next unit that can be wagered in chips, if because of the value of chip denominations, half the initial wager cannot be bet. Insurance wagers must be placed immediately after the second card is dealt to each player, after the dealer's card is exposed, and before any additional cards are dealt to the dealer. All winning insurance wagers must be paid at odds of two to one. All losing insurance wagers must be collected by the dealer immediately after the dealer draws a second card or discloses the hole card and before the dealer draws any additional cards.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:24. Doubling down. Except for blackjack, a retail licensee may allow a player to double down on the player's hand, which is to make an additional wager, not exceeding the original wager, on the first two cards dealt to the player or the first two cards of any split pair. One additional card must be dealt to the hand on which the player elects to double down. If a dealer obtains blackjack after a player doubles down, the dealer must collect the amount of the original wager of the player and may not collect the additional amount wagered in doubling down.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:25. Splitting pairs. If the first two cards dealt to a player are identical in value, the player may split the hand into two separate hands by making a wager on the second hand equal to the original wager. If a player splits pairs, the dealer must deal a second card to the first hand so formed and must complete the player's decisions on that hand before dealing cards to the second hand. After a second card is dealt to a split pair, the player must stand, surrender, draw, or double down. A player may not split pairs more than three times in a round of play on any one hand. A player splitting aces may have only one card dealt to each ace. If the dealer obtains blackjack after a player splits pairs, the dealer may only collect the amount of the original wager of the player and may not collect the additional amount wagered in splitting pairs.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:26. Drawing of additional cards by players and dealers. A player may elect to draw additional cards if the player's point count total is less than 21. A player with blackjack or a hard or soft total of 21 may not draw additional cards.

A dealer must draw additional cards to the dealer's hand until the dealer has a hard or soft total of 17, 18, 19, 20, or 21. House rules may require the dealer to draw additional cards on a soft 17. Thereafter, no additional cards may be drawn. A dealer may not draw additional cards to the hand, regardless of the point count, if decisions have been made on all players' hands and the point count of the dealer's hand will have no effect on the outcome.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:27. Player wagering on more than one box. A retail licensee may permit a player to wager on more than one box or may limit multiple play during hours when there are insufficient seats in an establishment to accommodate patron demand.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:28. Irregularities. A card found turned face upward in the shoe or deck may not be used in the game and must be placed in the discard rack. A card drawn in error without its face being exposed must be used. After the initial two cards have been dealt to each player and a card is drawn in error and exposed to the players, the card must be dealt to the players or dealer. Any player refusing to accept such a card may not have additional cards dealt to that player during the round. If the card is refused by the player and the dealer cannot use the card, the card must be burned. If the dealer has 17, 18, 19, 20, or 21 and accidentally draws a card for the dealer, the card must be burned. If the dealer misses dealing the first or second card to the dealer, the dealer must continue dealing the first two cards to each player, and then deal the correct number of cards to the dealer. If there are insufficient cards remaining in the shoe or deck to complete a round of play, the cards in the discard rack must be shuffled and cut; and the dealer must complete the round of play. If no cards are dealt to a player's hand, the hand is dead and the player may be included in the next deal. If only one card is dealt to the player's hand, the dealer must deal the second card to the player after all other players have received a second card.

Source: 16 SDR 57, effective October 1, 1989; 17 SDR 93, effective January 6, 1991; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7, 42-7B-15.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:15:29. Special rules of conduct. A retail licensee may establish rules of conduct to be followed by the players and spectators on its licensed site. Before rules may be posted by a retail licensee, prior approval must be obtained from the executive secretary.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:30. Surrender. At the option of a retail licensee, a player may surrender the player's cards by forfeiting half the original wager if the dealer does not have blackjack. A player must surrender before receiving additional cards to the player's hand.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:30.01. Variations of the play -- Rainbow 21. Rainbow 21 must be dealt and played following the standard rules of blackjack in this chapter with the following exceptions:

(1) Rainbow 21 may only be played on tables displaying the Rainbow 21 table layout. A licensee may not offer Rainbow 21 until the surveillance system on the table to be utilized is approved by the executive secretary;

(2) In Rainbow 21 extra play wagers are allowed. The extra play wager is a secondary wager by a player on the outcome of another player's hand. The player must first make a primary wager on the player's own hand before making an extra play wager on another player's hand;

(3) The extra play wager may not exceed the amount bet on the player's own hand;

(4) If another player elects to split a hand, all extra play action is on the outcome of the player's first split hand dealt and not on the second;

(5) After a player has made the initial extra play wager on the outcome of another player's hand, that player may not make any additional wagers on the outcome of another player's decision to double down or split hands, except in the case of insurance, to which all regular blackjack rules in this chapter apply;

(6) A player may not play any hands other than the hand or hands dealt to the player, and only that player who is dealt the hand or hands may make decisions that affect the outcome of the hands; and

(7) If a player is playing more than one position at a table, that player may not place an extra play wager on any hand dealt to that player.

Source: 23 SDR 227, effective July 1, 1997.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-3, 42-7B-4(3), 42-7B-7.

Cross-References: Security and surveillance, ch 20:18:29; Insurance wagers, § 20:18:15:23.

20:18:15:30.02. Variations of the play -- Ten sticks 21. Ten sticks 21 must be dealt and played following the standard rules of blackjack in this chapter, except as follows:

(1) Ten sticks 21 may only be played on tables displaying the Ten sticks 21 table layout;

(2) In each deck of cards, the ten of clubs must be clearly marked on its face with the ten sticks bonus logo. This card plays the same as any ten-count card;

(3) If a player is dealt a bonus card which makes the point count exceed 21, the hand is lost just as in regular blackjack;

(4) If a player is dealt a playable bonus card or one which does not make the point count exceed 21, one of two options may be taken;

- (a) The player may keep the bonus card and play it as a ten; or
- (b) The player may trade the bonus card for the next card dealt;

(5) If a player trades a bonus card, that player will receive a bonus light which is shown on the disk in front of the player's betting position. The light is activated by the dealer from a control switch attached to the gaming table;

(6) The object of the game is for each player to get all ten bonus lights lit during the course of play and receive the designated bonus prize previously determined by the casino;

(7) Ten sticks 21 winners start back at zero and all other players continue with the accumulated bonus lights;

(8) A player may not pass bonus lights on to the next player taking that player's chair. All new players start at zero; and

(9) A Ten sticks 21 bonus card dealt to the dealer must be played as a ten-count card.

A casino may opt not to allow players to trade cards. A player who receives a playable Ten sticks bonus card or one that does not make the count of the player's hand exceed 21 automatically receives a bonus light.

A casino may allow players leaving the game to receive a player's card on which the dealer punches a total equaling the number of lights which that player accumulated during play. If the player resumes the game at a later time, the player would start the game with the same number of bonus lights as punches on the player's card. The player must surrender the card at the time the game is resumed. The form of the player's card used by a casino under this option must have the prior approval of the commission.

Source: 23 SDR 227, effective July 1, 1997.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-3, 42-7B-4, 42-7B-7.

20:18:15:30.03. Variations of the play -- 21+3. 21+3 is a copyrighted, trademarked, and patent-pending variation of blackjack with optional three-card poker. 21+3 must be dealt and played following the standards rules of blackjack in this chapter, except as follows:

(1) 21+3 may only be played with either six decks or two decks;

(2) 21+3 may be played only on tables displaying the 21+3 layout. At the beginning of each round, in addition to the regular 21 bet the player may also place an optional "3" bet;

(3) The cards are dealt according to regular blackjack procedures noting that both player cards must be dealt face up. One of the dealer's cards is dealt face up;

(4) The dealer's up card and the first two cards of each player with a wager on the "3" bet form a three-card poker hand;

(5) Each player "3" bet is resolved from dealer's right to left. Losing "3" bets are taken, winning "3" bets are paid and removed from the play area immediately;

(6) After all "3" bets are resolved standard blackjack procedures apply. Insurance and hold-card peek after "3" bets resolved;

(7) The table "3" bet limits must be posted at each table;

(8) Tip bets may be placed by any bet (21 or "3" or both). Tip "3" bet may not be more than the player's "3" bet and may also be limited by posted house policy;

(9) Tip bets are paid at the same time as player bet and wins are taken immediately; and

(10) 21+3 wagers shall be paid in accordance with the following paytables:

	Paytables for 2 or 6 decks	
	Classic	Xtreme
Straight Flush	9	30
3 of a Kind	9	20
Straight	9	10
Flush	9	5
Pair	-1	-1

	Paytables for 2 decks		
	1	2	3
Straight Flush	2.5	7	9
3 of a Kind	2.5	7	9
Straight	2.5	7	9
Flush	2.5	7	9
Pair	2.5	0	-1

(All payouts are "to 1.")

Source: 28 SDR 24, effective August 28, 2001; 43 SDR 131, effective April 17, 2017; 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.04. Variations of the play -- Lucky Ladies blackjack. Lucky Ladies blackjack must be dealt and played following the standard rules of blackjack in this chapter, except as follows:

(1) Lucky Ladies blackjack may only be played on tables displaying the Lucky Ladies table layout;

(2) Prior to the start of each round of blackjack, each player is afforded the opportunity to place a voluntary Lucky Ladies wager on the designated spot on the table layout at the same time the player's primary wager is made and before any cards are dealt;

(3) Once the dealer has dealt the first two cards to each player, the dealer must determine if any of the players that bet the Lucky Ladies wager have a hand whose first two cards total twenty;

(4) The winning payoff odds depend upon which version of the game is played and the payable chosen by the retail licensee. Only the highest ranking is paid:

Multiple Deck Payout Odds:	Paytable A	Paytable B
(a) Queen of hearts pair with dealer/blackjack pays	1,000 to 1	1,000 to 1
(b) Queen of hearts pair pays	125 to 1	200 to 1
(c) Matched 20 (two identical cards) pays	19 to 1	25 to 1
(d) Suited 20 pays	9 to 1	10 to 1
(e) Any 20 pays	4 to 1	4 to 1

Single Deck Payout Odds:	Paytable C
(a) Pair of Queens with dealer/blackjack pays	250 to 1
(b) Pair of Queens pays	25 to 1
(c) Paired 20 (2 Tens, 2 Jacks or 2 Kings) pays	9 to 1
(d) Suited 20 pays	6 to 1
(e) Any 20 pays	3 to 1

(5) The take or pay procedure for the Lucky Ladies wager is accomplished prior to any player receiving any additional cards. At the conclusion of the Lucky Ladies take or pay procedure, the blackjack game resumes as normal.

Source: 29 SDR 147, effective May 6, 2003.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.05. Variations of the play -- Progressive blackjack. Progressive blackjack must be dealt and played following the standard rules of blackjack in this chapter, except as follows:

(1) Progressive blackjack may be played only on approved tables equipped with the necessary electronic equipment and signage, and which displays the progressive blackjack layout. Four or more 52-card decks must be used;

(2) Each player may place an additional, optional wager by placing a token in the designated coin-in slot in front of the player's bet;

(3) The optional wager allows the player to participate in play for a progressive jackpot. As tokens are accepted, the progressive meter will advance by a predetermined amount for each token placed through the coin-in slots;

(4) Each player determines whether to "stand" or "hit," as in standard blackjack. If the player busts, and has made a progressive jackpot wager, remove the original wager and leave the cards on the table to determine whether a progressive jackpot hand has occurred. After all players hands are completed, reveal all cards in the dealer position and play the hand according to standard blackjack rules;

(5) Beginning with the rightmost player, the dealer will then evaluate each hand and pay, take, or push the standard blackjack wager. If the player has made a progressive blackjack wager, and his or her original 1st, 2nd, 3rd, or 4th card (including split hands) matches a progressive jackpot, leave the hand exposed on the layout and continue to the next player;

(6) After paying or taking all standard blackjack wagers, the dealer will pay any progressive jackpots from right to left, according to the following schedule, which shall be displayed by table signage or on the table layout:

(a) 4 red or 4 black Aces	100% of the displayed jackpot	reduces meter
(b) 4 other Aces	\$2,000	reduces meter
(c) 3 suited Aces	\$1,000	reduces meter
(d) 3 unsuited Aces	\$250	reduces meter
(e) 2 suited Aces	\$100	reduces meter
(f) 2 unsuited Aces	\$25	reduces meter
(g) 1 Ace	\$1	reduces meter

(7) After all progressive wagers have been made and before the dealer starts to deal the cards, the dealer operates a key pad by which the dealer locks out the coin-in mechanism. After the hand is completed, the dealer clears the lockout so the players may wager on the progressive jackpot for the next hand;

(8) A licensee may not discontinue offering a progressive blackjack jackpot until the highest progressive jackpot award has been won by a qualified player or players. If a licensee wishes to discontinue offering a progressive jackpot award, the licensee may petition the executive secretary for permission to either reduce the qualifications or criteria for winning the award, allowing the award to be paid more quickly, or to transfer the award liability to the jackpot offered by a different game. If a retail licensee intends to close its business while having a progressive jackpot award liability, the licensee may petition the executive secretary for permission to transfer the award liability, along with the award fund, to another retail licensee offering a comparable jackpot award.

Source: 29 SDR 147, effective May 6, 2003.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.06. Variations of the play -- STREAK blackjack. STREAK blackjack must be dealt and played following the standard rules of blackjack in this chapter, except as follows:

(1) STREAK is a patented variation of blackjack where the player may place one or more optional wagers that the player will win two, three, four, or five consecutive blackjack hands. STREAK

may only be played on tables equipped with the STREAK signage, STREAK table layout, and STREAK lammer for each player position;

(2) Prior to the start of each round of blackjack, in addition to the standard blackjack wager, each player is afforded the opportunity to place one or more STREAK wagers by placing a wager on one or more of the designated STREAK spots, numbered two through five located at each player position;

(3) If a player has placed a STREAK wager and wins the blackjack hand, the dealer shall place a lammer on top of the STREAK spot labeled "2" indicating that the player is going for a second consecutive win;

(4) If a player wins the next consecutive blackjack hand and has a STREAK wager on number "2", the dealer shall first pay the blackjack wager, then pay the STREAK wager and then advance the lammer to the "3" STREAK wager spot, indicating that the player is going for a third consecutive win;

(5) With each consecutive winning blackjack hand the dealer shall first pay the blackjack wager, then the STREAK wager and then advance the lammer to the next highest STREAK wager spot until the player either loses a hand or wins the last of the pending STREAK wagers, thereby completing the STREAK pendency. At such point each player's lammer is returned to the tray at the end of the player's STREAK wager spots;

(6) If a player loses a blackjack hand all pending STREAK wagers are lost;

(7) The "2", "3", "4", and "5" STREAK wagers have independent outcomes. A STREAK payoff is made only when the lammer is on top of a STREAK wager and the player has a winning blackjack hand which indicates that the player has won that specific STREAK bet;

(8) A blackjack hand resulting in a push will not win or lose a STREAK wager;

(9) A player having split blackjack hands must win the majority of the hands to advance a STREAK wager. If a player loses more split hands than the player wins, the STREAK wager is lost. If a player equally wins and loses the same number of split hands, the STREAK wager is neither advanced nor lost;

(10) Once a STREAK wager is placed, no other STREAK wagers may be placed until the player wins or loses all pending STREAK wagers;

(11) A player may not sit out any hand with a STREAK wager pending. If a player fails to complete any hand in the pendency when STREAK wagers are placed, all STREAK bets are forfeited to the house;

(12) A player may choose to take an even money option with any STREAK wagers pending if the player has blackjack. When players choose this option, the dealer shall first pay the blackjack wager. The dealer then stacks the player's cards and turns the cards sideways, indicating that a decision must be made for STREAK before completion of insurance procedures. The dealer then

take insurance bets before determining the outcome of STREAK wagers. If both the dealer and player have blackjack, it is a push for STREAK wagers. If the dealer does not have blackjack, the STREAK lammer is advanced. A player's card is burned after the STREAK outcome has been determined;

(13) STREAK wagers are not affected by any insurance bet;

(14) A player exercising the surrender option shall lose any STREAK wager;

(15) The dealer is responsible for rotating the STREAK lammer and aligning the edgspot with the matching mark on the layout each time a lammer is advanced;

(16) Each STREAK lammer shall be accounted for and kept in the rack when not utilized;

(17) A player may place STREAK wagers for the dealer provided the player has at least one STREAK wager pending. Tip wagers are paid at the same rate as the player's STREAK wager. STREAK tip wagers shall be paid immediately after payment of the player's STREAK wager;

(18) A separate minimum-maximum wager amount may be used for STREAK wagers;

(19) STREAK wagers shall be paid in accordance with the following pay table:

Two Consecutive Winning Hands	3 to 1
Three Consecutive Winning Hands	8 to 1
Four Consecutive Winning Hands	18 to 1
Five Consecutive Winning Hands	38 to 1

(20) Each casino offering STREAK blackjack shall have designated areas for the placement of STREAK wagers which contain, at a minimum:

(a) Four separate designated wagering areas for each player position at the table numbered 2 through 5; and

(b) A mark next to each designated wagering area to which the edgspot of the lammer can be matched;

(21) The STREAK lammer shall have distinct sizing and markings which include, at a minimum:

(a) An edgspot measuring $\frac{3}{4}$ of an inch across by $\frac{1}{4}$ of an inch deep, to be mirrored on the backside of the lammer and run through the edge of the lammer;

(b) Made of a color known as PMS#804U; and

(c) The STREAK logo and Casino logo no less than $\frac{1}{8}$ of an inch tall;

(22) Each casino shall post a sign approved by the commission listing the payout odds for STREAK wagers if the payout odds are not imprinted on the table layout; and

(23) Minimum-maximum wager amounts shall be posted on all tabletop signage.

Source: 30 SDR 115, effective February 1, 2004.

General Authority: SDCL 41-7B-4(3), 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.07. Variations of the play -- Buster Blackjack. Buster blackjack is a variation of blackjack which may only be played on tables designated by the licensee for the play of Buster blackjack. The game shall be dealt and played following the standard rules of blackjack in this chapter, except as follows:

(1) Buster blackjack features a side bet that allows the player to bet that the dealer will bust. Buster blackjack may be dealt using one to eight decks of cards. Prior to the dealing of any cards, all players shall make a mandatory blackjack wager up to the posted table limit. In addition to the blackjack wager, the player also has the option to make a "Buster blackjack" side bet. The side bet allows the player to win odds if the dealer's hand busts;

(2) After all bets have been made, the dealer deals himself or herself and each player two cards. The dealer shall expose one of the dealer's cards as the up card. Each player then plays out the hand according to the standard rules of blackjack;

(3) If the dealer does not or cannot have a blackjack and the player has a blackjack, the player is paid and the player's cards are put away. The Buster blackjack bet remains in action whether or not the player busts or is dealt a blackjack;

(4) After all players have made their decisions, the dealer reveals the dealer's hole card and plays out the hand. If the dealer busts, the dealer must pay all the Buster blackjack side bets according to the posted buster blackjack pay table. The payoff odds vary with the number of cards in the dealer's busted hand. The more cards in the dealer's busted hand the higher the payoff. If the dealer does not bust, the dealer collects all Buster blackjack bets;

(5) If there are no blackjack bets remaining as each player has busted out or received a blackjack, the dealer must complete the dealer's hand, if the hand is not 17 or greater, as long as there is any buster side bet; and

(6) Lammers may be used in one of the following ways:

(a) The dealer shall place a lammer on top of the side bets after the players have placed their side bets and before the dealer deals a card to any player; or

(b) The dealer shall place a lammer on top of the side bets after the players receive a blackjack or after they bust;

(7) If lammers are used the lammers must be removed by the dealer when either of the following occurs:

- (a) The dealer does not bust and collects all of the Buster blackjack side bets; or
- (b) The dealer busts and pays all of the Buster blackjack side bets.

The dealer shall place the lammers in front of the side bet area between each hand;

(8) Buster blackjack wagers shall be paid in accordance with one of the following pay tables:

(All payouts are "to 1")

Number of Cards in Dealer's Busted Hand	Paytable A	Paytable B	Paytable C	Paytable D	Paytable E	Paytable F
8 or more	250	200	250	200	250	250
7	50	50	50	50	50	50
6	15	15	12	12	12	20
5	4	4	4	4	3	8
4	2	2	2	2	2	2
3	2	2	2	2	2	1

and;

(9) Buster blackjack has a free bonus that may be offered by the casino operator. Free bonus may only be played on tables designated by the licensee for the play of Buster blackjack. The game shall be dealt and played following the standard rules of Buster blackjack above and, as follows:

- (a) The player's Buster blackjack bonus side bet is at least a five dollar wager. The Buster blackjack bonus side bet may not exceed the player's blackjack bet; and
- (b) The player has a blackjack and the dealer busts with seven or more cards, in addition to the regular payoff for the player's Buster blackjack bet, the player shall receive a fixed bonus pay in an amount based on one of the posted paytables below:

Free Bonus

Number of Cards in Dealer's Busted Hand	B1	B3
8 or more	\$8,000	\$5,000
7	\$1,000	\$1,000

Source 33 SDR 63, effective October 18, 2006; 41 SDR 218, effective July 1, 2015; 43 SDR 79, effective December 5, 2016.

General Authority: SDCL 42-7B-4(3), 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.08. Variations of the play -- Winners Option Blackjack. Winners Option Blackjack offers the player the chance to play standard blackjack or a variation of blackjack where the player bets that the dealer will have a winning hand. Winners Option Blackjack may only be played on a table exhibiting the Winners Option betting areas. The game shall be played as follows:

(1) Before a round of play the player places a bet either in the "P" arrow or the "D" arrow on the Winners Option Blackjack table, but not in both arrows. After all the bets have been made the dealer deals each player two cards and the dealer also receives two cards, the second card is exposed face up;

(2) Each player betting the "P" arrow plays out their hand according to standard rules of blackjack;

(3) Each "D" player's cards are played under the same rules as a dealer's hand of hitting soft total of 17 and under and standing on hard total of 17 and over;

(4) "D" players' cards that exceed 21 are stacked and placed sideways on the insurance line with the "D" bet placed on top of the cards;

(5) "D" players that are dealt a blackjack will have the bet collected by the dealer unless the dealer also has a blackjack for a tie;

(6) After "P" players complete their decisions and the "D" players' cards have been administered by the dealer, the dealer will expose the unexposed "hole" card and complete the play under standard rules of blackjack of hitting soft total of 17 and under and standing hard total of 17 and over;

(7) "P" players' bets are collected or paid according to standard rules of blackjack;

(8) "D" players are paid even money if their cards are a lower point total than the dealer and the dealer did not bust and exceed 21;

(9) "D" players are paid even money if the dealer has a blackjack and they do not have a blackjack;

(10) When the dealer exceeds 21 and the "D" player has not exceeded 21, those bets are lost and will be collected by the dealer;

(11) Busted "D" players are paid even money if the dealer's hand does not exceed 21;

(12) When both the "D" player and the dealer exceed 21 the dealer will collect half of the "D" bet or the larger portion if the bet cannot be equally divided;

(13) All ties, on both "P" and "D" are a tie and do not win or lose;

(14) Both "P" and "D" players shall be offered insurance according to the standard rules of blackjack when the dealer's up card is an ace;

(15) Surrender is not offered in this game;

(16) Before the first card of Winners Option Blackjack is dealt for a round of play, a player may make a wager of not more than the posted table limit betting against the dealer having the winning hand or betting for the dealer having the winning hand. The player wins the wager if any of the following events occur:

(a) The player wagers against the dealer and the sum of the "P" player's cards is 21 or less and the sum of the dealer's cards is more than 21;

(b) The player wagers for the dealer and the sum of the "D" player's cards is less than the sum of the sum of the dealers' cards without either exceeding the sum of 21;

(c) The player wagers for the dealer and the sum of the "P" player's cards exceeds that of the dealer with either exceeding 21;

(d) The player wagers against the dealer and the "P" player has a blackjack and the dealer does not;

(e) The player wagers for the dealer and the dealer has a blackjack and the "D" player does not;

(f) The player wagers for the dealer and the "D" player exceeds 21 and the dealer does not;

(g) When the "D" players and the dealer both exceed 21, the casino will collect half of the "D" players' bet or the larger portion if the bet cannot be equally divided.

Source: 35 SDR 55, effective September 8, 2008; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-4(3), 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.09. Variations of the play -- Blackjack Switch. Blackjack switch is a blackjack variation of the game of blackjack. Blackjack switch shall be dealt and played following the standard rules of blackjack, except as follows:

(1) Blackjack switch may only be played on tables displaying the blackjack switch table layout. Six or eight decks of cards shall be used. In blackjack switch each player plays two hands of blackjack. The rank of hands in blackjack switch, from highest to lowest, are: four of a kind, two pair, three of a kind, and pair;

(2) Each player must make an initial wager within the limits specified at the table by the licensee, and must place equal wagers on both wagering areas, with an optional super match wager in the wagering areas in front of the player's position. The super match wager is placed to play for hand value only and the initial wagers are placed to play against the dealer;

(3) Any dealer tip delivered as a wager may be placed on either of the wager areas or super match wager or both, provided that the player has placed a personal wager on the same hands. If a player continues to play with any subsequent wager, the dealer's tip on the wager area or super match wager may remain in play whether or not the player adds a subsequent and corresponding wager for the dealer;

(4) An incorrect number of cards dealt to a player constitutes a misdeal to that player only. The player receiving the misdealt cards retains the player's wager and super match wager. An incorrect number of cards dealt to the dealer constitutes a misdeal for the hand, and each player retains the player's wager and super match wager;

(5) Wagers are collected or paid in this order: super match wager and wager;

(6) The following hands are always paid a bonus on the super match wager as it does not play against the dealer, but is based on the player's initial four cards: four of a kind, two pair, three of a kind, and pair;

(7) Immediately prior to the commencement of play the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals out two hands of blackjack to each player and one for the dealer;

(8) After each player and the dealer have received the cards, the dealer will resolve the super match wager. The dealer shall offer all standard play options for each hand beginning with the player to the dealer's left;

(9) If the dealer has been dealt an ace face up, the dealer shall call for insurance and each player may place an insurance wager on any one or two of the player's wagers;

(10) Each player has the option to switch the second card of each hand. If the player does not switch the card the player shall continue play as in standard blackjack. If the player does switch the second card a switched blackjack is considered a 21, not a blackjack. Blackjack pays 1 to 1 and pushes if the dealer has blackjack;

(11) The player has the option to split both hands. If a player wishes to split cards of the same value, the player must place an additional wager equal to each initial wager made on that wager area;

(12) A player may double down on any one or two of the player's wagers;

(13) If a player has a blackjack, and the dealer does not have a blackjack, the player is paid at odds of 1 to 1. If a dealer draws out to a total of 22, all remaining wagers push. If both the player and the dealer have blackjacks, the hand is a push. If the player has a switched blackjack which is considered a 21, the player loses against a dealer blackjack and pushes against a dealer's drawn out 21 or 22;

(14) If a player chooses to draw to the hand, for each wager position the player uses the same first two cards dealt and combines the two cards with separate hit cards. The draw continues until

the player chooses to stop or until the value of the hand exceeds 21. Each wager position is treated as a separate hand and with respect to each wager, a player may elect to draw, or stand;

(15) If a player draws to an amount over 21 at a wager position, that one wager and cards are immediately collected by the dealer, leaving the player's other wagers on the table until such time as the dealer has taken action on all other wagers and hands in play at the table, including the dealer's hand, and has evaluated the winners and losers;

(16) When the dealer and a player have completed action on a player's hand, the dealer shall then move to the next player in rotation, offering each player all appropriate choices, until action on each wager position has been taken;

(17) When the dealer has acted on all players' hands, the dealer shall play out the dealer's hand in the same manner as in standard blackjack and shall determine winning and losing hands, paying the winning wagers and collecting the losing wagers;

(18) The retail licensee may offer the game using the following super match pay schedule. The pay schedule in use, or payouts derived from the pay schedule, must be displayed on the table layout or on signage at the table:

Pay Schedule	1	2
First 4 cards	6 decks	8 decks
4 of a kind	40 to 1	50 to 1
Two pair	8 to 1	7 to 1
Three of a Kind	5 to 1	5 to 1
Pair	1 to 1	1 to 1

Source: 37 SDR 70, effective October 20, 2010.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.10. Variations of the play -- Dealer Bust 21. Dealer Bust 21 is a variation of the game of blackjack where the player bets that the dealer will bust. Dealer Bust 21 may only be played according to the following rules:

(1) The Dealer Bust 21 (DB21) table layout is identical to a standard blackjack layout with an additional but separate and distinct:

(a) Betting spot added to the upper right hand side of the standard blackjack betting spot;
and

(b) A box the size and shape of a playing card located at the spot where the dealer places the up card when the bottom card is exposed. This box shall be labeled up card;

(2) DB21 wagers may only be made if a regular blackjack bet is made;

(3) DB21 wagers are made by placing chips in the DB21 betting spot located on the right hand side of the blackjack betting spot;

(4) All DB21 wagers shall be made prior to the first card of each round being dealt. Any wager made after that is considered no bet and returned to the person who made it;

(5) DB21 wagers win if the dealer's blackjack hand busts;

(6) Payouts are determined by the dealer's original up card, all up cards are placed in the box labeled up card, after the dealer exposes the bottom card;

(7) Once all wagers are made the dealer shall deal the cards according to standard blackjack procedures. When all the cards have been dealt the dealer shall follow standard blackjack procedures that give each player the option to hit, stand, split, or double down. If a player does not have a DB21 wager then the standard blackjack procedures apply;

(8) If a player has a DB21 wager and busts the player's blackjack hand, the dealer will take the losing blackjack bet and pick up the cards. However, instead of putting the cards in the discard holder the dealer shall tuck the cards under the DB21 bet. This action prevents the dealer from paying a DB21 bet that was past-posted or inadvertently placed too early for the next hand;

(9) If the dealer's hand does not bust, all DB21 wagers lose and the dealer shall remove the wagers from the layout prior to resolving the remaining blackjack hands;

(10) If the dealer's hand busts the dealer shall resolve all the remaining blackjack bets and DB21 bets beginning in a counter-clockwise order, if a player has both a blackjack bet and a DB21 bet remaining, the blackjack bet shall be paid first and the DB21 bet shall be paid second;

(11) If all of the player's blackjack hands have busted leaving only the dealer with live cards remaining and there is at least one DB21 wager, the dealer's hand must be played out according to the house rules;

(12) DB21 wagers shall be paid in accordance with one of the following pay tables:

Dealer Bust 21 Pay Tables					
Outcome of Dealer's Hand	Dealer Upcard	Pay Table #1	Pay Table #2	Pay Table #3	Pay Table #4
Dealer Busts	A	10	15	2	4
Dealer Busts	T, J, Q, K	4	4	2	2
Dealer Busts	7, 8, 9	2	2	2	4
Dealer Busts	2, 3, 4, 5, 6	1	1	2	1
Dealer Doesn't Bust	Any	Lose	Lose	Lose	Lose

Source: 38 SDR 116, effective January 10, 2012.

General Authority: SDCL 42-7B-4(3), 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.11. Variations of the play -- Dead Man's Hand blackjack. Dead Man's Hand is a variation of the game of blackjack and must be dealt and played following the standard rules of blackjack except as follows:

- (1) Dead Man's Hand blackjack is an optional bet for blackjack;
- (2) Dead Man's Hand blackjack may only be played on tables displaying the Dead Man's Hand styled table layout. The game shall be played using one, two, five, six, or eight standard 52-card decks;
- (3) At the discretion of the retail licensee, any player who wishes to place a tip bet for the dealer on the Dead Man's Hand bet shall be paid at the same odds as the player's winning bet. The retail licensee may require tip bets to be in an even dollar amount and may limit the maximum amount of such tip bets;
- (4) At the same time a player makes a standard blackjack bet, the player has an opportunity to make an additional optional bet in an even dollar amount known as the Dead Man's Hand. The minimum and maximum amounts of the Dead Man's Hand bet permitted shall be posted on the table signage and cannot be more than the original blackjack bet;
- (5) If the player is playing more than one hand, the same number of Dead Man's Hand bets can be made. Any player that has made the Dead Man's Hand bet and is not dealt at least one ace or one eight on the player's initial first two cards loses the Dead Man's Hand bet;
- (6) Any player who makes the Dead Man's Hand bet wins if one of the player's first two cards dealt is an ace or an eight or if the player's first two cards are an ace and an eight and the player shall be paid according to the posted pay table. A player also wins and shall be paid according to the posted pay table if the dealer has a blackjack and the player's first two cards are a pair of aces, or a pair of eights;
- (7) Any player who has been dealt a pair of aces or a pair of eights can choose to split the hand. No additional Dead Man's Hand bet is required to split the hand. Splitting pairs shall be handled as follows:
 - (a) Standard house policy applies to splitting pairs;
 - (b) Players may split pairs up to three times for a maximum of four hands;
 - (c) If a player splits a pair of eights and then receives cards that bust the hand, the dealer shall remove the cards that busted the hand and leave the initial eights in a horizontal position. Once the player has completed taking hits, the dealer shall calculate the winning pay out according to the posted pay table and pay the player accordingly;
 - (d) A player shall be paid for the number of aces or eights, or both, which the player has been dealt when all splitting is done;

(e) If the player splits but does not receive any additional aces or eights, the player shall be paid for the initial pair of aces or eights according to the posted pay table;

(f) Depending on the pay table the retail licensee chooses to use, the objective of the game is to be dealt four sets of soft nineteens after splitting the player's initial pair of aces or eights; and

(g) The game then continues to the next player;

(8) Any player who makes the Dead Man's Hand bet and is dealt a pair of aces or a pair of eights may choose not to split the pair and complete the hand according to the player's preference. This hand shall be paid double the payout for just one ace or one eight on the player's first two cards according to the posted pay table; and

(9) Pay table:

	Pay table 1	Pay table 2	Pay table 3	Pay table 4	Pay table 5
4 -- Sets of A-8's				500 to 1	500 to 1
3 -- Sets of A-8's				250 to 1	250 to 1
2 -- Sets of A-8's	50 to 1	50 to 1	100 to 1	100 to 1	50 to 1
1 -- Set of A-8's	14 to 1	4 to 1	4 to 1	4 to 1	5 to 1
A-A or 8-8 with only A-8 after split	3 to 1	4 to 1	20 to 1	20 to 1	4 to 1
A-A or 8-8 no split	3 to 1	4 to 1	4 to 1	4 to 1	4 to 1
Any A or 8 (first 2 cards)	3 to 2	2 to 1	2 to 1	2 to 1	2 to 1
Pair of aces or Pair of 8's and Dealer Blackjack	50 to 1	50 to 1	50 to 1	50 to 1	50 to 1

Source: 41 SDR 7, effective July 29, 2014; 42 SDR 146, effective May 3, 2016.

General Authority: SDCL 42-7B-4(3), 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.12. Variations of the play -- War blackjack. War blackjack is a variation of the game of blackjack and must be dealt and played following the standard rules of blackjack except as follows:

(1) War blackjack may only be played on tables displaying the War blackjack table layout;

(2) Prior to the start of each round of blackjack, each player may place a voluntary War blackjack wager on the designated spot on the table layout at the same time the player's primary wager is made and before any cards are dealt;

(3) The dealer deals one card to each player and one card to himself or herself. If the player's card is higher than the dealer's the player wins 1 to 1. Aces are low on the War portion of the game;

(4) If a player wins, the player may either take the winnings and the War wager or add the winnings to the player's blackjack wager;

(5) If a player and the dealer tie on the War wager, the player loses the War wager;

(6) The dealer then deals the second card and regular blackjack is played.

Source: 41 SDR 7, effective July 29, 2014; 41 SDR 187, effective May 13, 2015.

General Authority: SDCL 42-7B-4(3), 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.13. Variations of the play -- Lucky Lucky blackjack. Lucky Lucky blackjack is a variation of the game of blackjack and must be dealt and played following the standard rules of blackjack except as follows:

(1) Lucky Lucky blackjack may only be played on tables displaying the Lucky Lucky blackjack table layout;

(2) Prior to the start of each round of blackjack, each player may place a voluntary Lucky Lucky blackjack wager on the designated spot on the table layout at the same time the player's primary wager is made and before any cards are dealt;

(3) The dealer deals two cards to each player and two cards to himself or herself. The dealer uses the player's two cards and the dealer's up card to determine if the player received a Lucky Lucky blackjack win;

(4) A player receives a Lucky Lucky blackjack win if the player's two cards and the dealer's up card match a hand designated in the payout table chosen by the retail licensee;

(5) Lucky Lucky blackjack wagers shall be paid in accordance with one of the following pay tables chosen by the retail licensee; and

	Pay Table 1	Pay Table 2	Pay Table 3
Player's Hand	Pays	Pays	Pays
Suited 777	200 to 1	200 to 1	200 to 1
Suited 678	100 to 1	100 to 1	100 to 1
777	50 to 1	50 to 1	50 to 1
678	30 to 1	30 to 1	30 to 1
Suited 21	10 to 1	15 to 1	10 to 1
21 Total	3 to 1	3 to 1	3 to 1
20 Total	2 to 1	2 to 1	2 to 1
19 Total	2 to 1	1 to 1	1 to 1

(6) A player who qualifies for more than one win is only entitled to the single highest win from the pay table selected by the retail licensee.

Source: 41 SDR 53, effective October 6, 2014.

General Authority: SDCL 42-7B-4(3), 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.14. Variations of the play -- Free Bet blackjack. Free bet blackjack is a variation of the game of blackjack using six or eight decks of cards. Each casino must use a "free bet" lammer, which indicates when a player has opted to take a "free double" or a "free split." The game shall be dealt and played following the standard rules of blackjack in this chapter except:

(1) As follows:

- (a) "Free" double-down on first two-card hard total of 9, 10, or 11;
- (b) "Free" splits on all pairs except 10 value cards (10-10, J-J, Q-Q, or K-K);
- (c) "Free" double-down allowed after split or "free" split (following standard Free Bet BJ rules);
- (d) "Free" re-splits allowed up to four hands (following standard Free Bet BJ rules);
- (e) All normal splits allowed;
- (f) Regular doubles allowed on two-card hands;
- (g) Dealer pushes on 22;
- (h) Dealer hits on soft-17;
- (i) Blackjack pays 3-to-2;
- (j) 6 or 8 deck shoe; and
- (k) No late surrender.

(2) Prior to the start of each round of blackjack, each player may place a voluntary pot of gold blackjack wager on the designated spot on the table layout at the same time the player's primary wager is made and before any cards are dealt; and

(3) Each player has the opportunity to free split or free double as detailed below:

- (a) Free Split: Players may split any pairs except 10 value cards (10-10, J-J, Q-Q, or K-K) without making an additional wager. The dealer shall place a free bet lammer to the right (dealer's view) of the player's original bet and deal the game normally. There are three possible outcomes:
 - (i) The player beats the dealer: The dealer pays the player for the player's original bet and an equivalent amount for the player's free split. If the player has made a pot of gold wager, the lammer must be moved by the dealer to a spot in front of the player's pot of gold wager. If the player did not make the pot of gold wager, the dealer collects the lammer;
 - (ii) The player loses to the dealer: The dealer collects the player's original bet. If the player has made a pot of gold wager, the lammer must be moved by the dealer

to a spot in front of the player's pot of gold wager. If the player did not make the pot of gold wager, the dealer collects the lammer; or

- (iii) The player and the dealer tie: The dealer pushes the player's original bet. If the player has made a pot of gold wager, the lammer must be moved by the dealer to a spot in front of the player's pot of gold wager. If the player did not make the pot of gold wager, the dealer collects the lammer;
- (b) If the player busts out of the hand with the original bet, the dealer places the original hand face down and places the bet on top of the hand. The dealer collects that bet at the end of the round. If split or re-split hands with free bet lammers win, the dealer pays each lammer the value of the original bet;
- (c) Free re-splitting up to four hands is allowed;
- (d) If a player wants to take advantage of the free split, the player holds out two fingers face down next to the player's original blackjack wager to signify the player wants the free split;
- (e) Each split hand is won or lost on its own merit (Ex., player may lose the original bet on first split hand and win on the second or more free split hands);
- (f) Free Double: Players may double a two-card hard count of 9, 10, or 11 without making an additional wager. The dealer places a free bet lammer to the right (dealer's view) of the player's original bet and deals the game normally. There are three possible outcomes:
 - (i) The player beats the dealer: The dealer pays the player for the player's original bet and an equivalent amount for the player's free double. If the player has made a pot of gold wager, the lammer must be moved by the dealer to a spot in front of the player's pot of gold wager. If the player did not make the pot of gold wager, the dealer collects the lammer;
 - (ii) The player loses to the dealer: The dealer collects the player's original bet. If the player has made a pot of gold wager, the lammer must be moved by the dealer to a spot in front of the player's pot of gold wager. If the player did not make the pot of gold wager, the dealer collects the lammer; or
 - (iii) The player and the dealer tie: The dealer pushes the player's original bet. If the player has made a pot of gold wager, the lammer must be moved by the dealer to a spot in front of the player's pot of gold wager. If the player did not make the pot of gold wager, the dealer collects the lammer;
- (g) Free doubling after splitting is allowed, provided the player's point total is a two card hard total of 9, 10, or 11;

- (h) If a player wants to take advantage of the free double, the player point with the player's index finger next to the original blackjack wager to signify the player wants the free double;
- (i) If the player makes a bet for the dealer, the dealer is also eligible for the free split and free double along with the player. The same game rules apply to the dealers bet;
- (j) Pot of Gold: The pot of gold wager payouts are based on the total number of free bet lammers the player collects for each individual blackjack hand. Casino may choose from one of the following payouts odds and shall be posted at the table or on the table:

Free Bets	POG 01*	POG 02*
7	1,000 to 1	100 to 1
6	300 to 1	100 to 1
5	100 to 1	100 to 1
4	60 to 1	50 to 1
3	30 to 1	30 to 1
2	10 to 1	12 to 1
1	3 to 1	3 to 1

and;

- (k) All pot of gold wagers lose to a dealer blackjack.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.15. Variations of the play -- Bonus Spin blackjack. Bonus Spin blackjack is a standard blackjack game using two, six, or eight decks of cards with an optional bonus spin wager that gives players the opportunity to spin a wheel for a chance to win various fixed dollar amounts or a top prize of an incrementing progressive, fixed dollar amount or a non-cash fixed prize of undetermined amount. The game shall be dealt and played following the standard rules of blackjack in this chapter except as follows:

(1) Before the start of each round of blackjack, each player may place the optional Bonus Spin blackjack wager of one or five dollars on the designated spot on the table layout at the same time the player's primary blackjack wager is made and before any cards are dealt.

In order to win on the Bonus Spin side bet:

- (a) A player has an ace in the first two cards and is paid even money (for five dollar pay tables only); or

- (b) A player has a blackjack in the first two cards, not including splits and is paid the dollar amount or prize won from spinning the wheel at the end of the round;

(2) After all bets have been placed, the dealer shall press "new game" then "begin game" on the interface to lock in the bets. The dealer shall collect all Bonus Spin wagers ensuring the interface accurately reflects all bets made;

(3) The dealer then deals all players and the dealer's first two cards;

(4) After the initial two cards are dealt, the dealer shall stop and immediately register on the interface any even money winners with an ace (if the casino is utilizing a five dollar pay table) or spin winners with a blackjack;

- (a) For even money winners, the dealer shall press the appropriate winning number spot one at a time which shall display "even money" on the interface;

- (i) If a player has an ace in the player's first two cards, the player shall be paid even money (if the casino is utilizing a five dollar pay table). A player shall be paid ten dollars at the beginning of the hand;

- (ii) Tap once on the appropriate winning number spot for any even money winners before payout;

- (iii) These bets are settled immediately after registering the winning number spot into the interface and before the hitting sequence;

- (b) For blackjack winners, the dealer shall press the appropriate winning number spot two times which shall display "spin" on the interface;

- (i) When a player has a blackjack, the dealer shall tap the interface twice in the appropriate winning number spot to signify that the player shall spin the wheel at the end of the round. The dealer shall register this into the interface immediately after delivering all players' and the dealer's initial two cards. This signifies that the dealer shall return to the player after the blackjack round is finished. In order for the player to spin the Bonus Spin wheel, the automated button shall be offered to the players from left to right of the dealer, as shown on the interface from position 1 to 6. The player shall be paid the blackjack in normal hitting sequence, but the cards shall be left in front of the player's betting spot and not collected until the player has spun the wheel at the end of the round;

- (ii) After the round is complete, the dealer shall press "proceed to spins" on the interface. Then the dealer shall press "press to enable" and the automated button shall light up and is ready for use. The dealer shall then offer the player the automated button to press to spin the wheel. In order to ensure the button is not mistreated, the dealer shall gently extend the device to the players keeping it in the dealer's hands so that the player simply presses the button as opposed to slamming it;

- (iii) After the player presses the button, the dealer waits to see what dollar amount the spin lands on and pays out the Bonus Spin bet corresponding amount. After the payout the dealer shall press "winner paid" on the interface;
- (iv) When all bets are made for the next round, the dealer shall press "begin game" and the next round shall start by the dealer locking in and collecting all Bonus Spin side bets;
- (c) If the wrong betting spot or the incorrect payout is pressed, the dealer shall tap the spot again until it is cleared or corrected;
- (5) If there are no winners, before the next round, the dealer shall press "new game" on the interface, then "begin game" after all players have made their bets;
- (6) If no Bonus Spin side bets are made, then the game plays as regular blackjack and the dealer does not have to use the interface;
- (7) To verify a top prize winner:
 - (a) The dealer shall leave the winning hand on the table and call the floor supervisor;
 - (b) The floor supervisor shall notify surveillance and the pit manager;
 - (c) Surveillance shall verify:
 - (i) The hand was dealt properly;
 - (ii) The Bonus Spin side bet was made;
 - (iii) The winning hand is a natural blackjack; and
 - (iv) The virtual wheel stopped on the top prize.

One dollar pay tables for two, six, or eight decks:

Hand	Bonus Spin Pay Tables					
	A1	B1	C1	D1	E1	F1
Blackjack in first two cards	Top Prize	Top Prize	Top Prize	Top Prize	Top Prize	Top Prize
	1,000	2,500	500	1,000	500	1,000
	500	1,000	250	500	250	500
	100	500	100	250	100	250
	75	100	75	100	75	100
	60	60	60	75	60	75
	50	50	50	60	50	60

	40	40	40	50	40	50
	30	30	30	40	30	40
	20	20	20	25	20	25
	10	10	10	10	10	10
	5	5	5	5	5	5

Five dollar pay tables for two, six or eight decks:

	Bonus Spin Pay Tables						
Hand	A5	B5	C5	D5	E5	F5	G5
Blackjack in first two cards	Top Prize	Top Prize	Top Prize	Top Prize	Top Prize	Top Prize	Top Prize
	250	1,000	2,500	5,000	1,000	2,500	5,000
	200	750	1,000	2,500	750	1,000	2,500
	150	500	500	1,000	500	500	1,000
	100	250	250	500	250	250	500
	80	100	100	250	100	100	250
	75	90	90	100	90	90	100
	70	80	80	85	80	80	80
	65	70	70	75	70	70	75
	60	60	60	65	60	60	60
	55	55	55	55	50	50	55
	50	50	50	50	40	40	40
Aces in first two cards	2 to 1	2 to 1	2 to 1	2 to 1	2 to 1	2 to 1	2 to 1

Source: 42 SDR 146, effective May 3, 2016; 43 SDR 79, effective December 5, 2016.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.16. Variations of the play -- Bust Bonus. Bust Bonus is a variation of the game of blackjack where the player bets that the dealer will bust. Bust Bonus must be played according to the following rules:

(1) The Bust Bonus table layout is identical to a standard blackjack layout with an additional but separate and distinct betting spot added to the upper right or left hand side of the standard blackjack betting spot;

(2) Bust Bonus wagers may only be made if a regular blackjack bet is made;

(3) Bust Bonus wagers are made by placing chips in the Bust Bonus betting spot located on the right or left hand side of the blackjack betting spot;

(4) All Bust Bonus wagers shall be made prior to the dealer exposing the dealer's hole/up card. Any wager made after that is considered no bet and returned to the person making the bet. The dealer may, as a courtesy announce "any Bust Bonus bets?" or "anymore Bust Bonus bets?"

prior to the dealer exposing the dealer's hole card. It is the player's responsibility to place the bet prior to the dealer exposing the hole/up card;

(5) Bust Bonus wagers win if the dealer's blackjack hand busts;

(6) Payouts are determined by the dealer's original up card, all up cards are placed in the box labeled up card, after the dealer exposes the bottom card;

(7) After all wagers are made the dealer shall deal the cards according to standard blackjack procedures. When all the cards have been dealt the dealer shall follow standard blackjack procedures that give each player the option to hit, stand, split, or double down. If a player does not have a Bust Bonus wager then the standard blackjack procedures apply;

(8) If a player has a Bust Bonus wager and busts the player's blackjack hand, the dealer shall take the losing blackjack bet and pick up the cards. However, instead of putting the cards in the discard holder the dealer shall tuck the cards under the Bust Bonus bet. This action prevents the dealer from paying a Bust Bonus bet that was past-posted or inadvertently placed too early for the next hand;

(9) If the dealer's hand does not bust, all Bust Bonus wagers lose and the dealer shall remove the wagers from the layout prior to resolving the remaining blackjack hands;

(10) If the dealer's hand busts the dealer shall resolve all the remaining blackjack bets and Bust Bonus bets beginning in a counter-clockwise order. If a player has both a blackjack bet and a Bust Bonus bet remaining, the blackjack bet is paid first and the Bust Bonus bet is paid second;

(11) If all of the player's blackjack hands have busted leaving only the dealer with live cards remaining and there is at least one Bust Bonus wager, the dealer's hand is played out according to the house rules; and

(12) Bust Bonus wagers shall be paid in accordance with one of the following pay tables:

Dealer Up Card	Bust, Off-Suit	Bust, Suited
Ace	3	50
2	1	25
3	1	15
4	1	10
5	1	5
6	1	3
7	2	15
8	2	10
9	2	20
10	2	20
Bust with three 8s	25	75

(All payouts are "to1.")

Source: 43 SDR 131, effective April 17, 2017.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.17. Variations of the play -- TriLux Bonus Blackjack with Super 3. TriLux Bonus Blackjack with Super 3 is an optional wager for use with the standard game of blackjack. The TriLux Bonus Blackjack wager considers the first two cards and the dealer's up-card. If the TriLux Bonus Blackjack wager is made, there is an optional secondary wager known as Super 3 that gives the patron the chance to win a higher payout. The Super 3 wager also considers the first two player cards along with the dealer's up-card. Both the TriLux Bonus Blackjack wager and the Super 3 wager pay if the player's two cards and the dealer's up-card make a qualifying hand based on the game's payable. All payouts are against a payable. Additional requirements are:

(1) TriLux Bonus Blackjack with Super 3 may be played with one, two, four, five, six, or eight standard decks;

(2) TriLux Bonus Blackjack and Super 3 are both optional bonus bets for blackjack with one exception:

(a) The player must make the TriLux Bonus wager to be eligible to make the TriLux Super 3 wager. This subsection only applies if the casino offers the TriLux Super 3 bonus wager;

(3) To begin each round, players must make the standard blackjack wager. A player may optionally make the TriLux Bonus wager and (if offered) the TriLux Super 3 bonus wager;

(4) The dealer then follows the house procedures for dealing blackjack;

(5) After each player and the dealer has received two cards, the dealer shall settle the TriLux Bonus and (if offered) TriLux Super 3 wagers in one of two ways:

(a) When the cards are dealt face up, the TriLux Bonus and (if offered) TriLux Super 3 wagers must be settled immediately after each player and the dealer receives the first two cards. Winning TriLux Bonus and (if offered) TriLux Super 3 bets must be paid and losing bets must be picked up in order of placement from the dealer's right to left. Then, standard blackjack play shall resume; or

(b) When the cards are dealt face down, the TriLux Bonus and (if offered) TriLux Super 3 wagers must be settled on a hand-to-hand basis, as the dealer goes from left to right asking for hit/stand determinations;

(6) TriLux Blackjack also offers the Lucky George (dealer envy) TriLux Bonus payable. The Lucky George payout is paid directly to the dealer or dealer token pool if applicable paytables are being offered. When the player hits a corresponding hand, the dealer shall receive a payout based on the applicable paytables;

(7) A TriLux Bonus Blackjack wager must be paid in accordance with one of the following paytables:

TriLux Bonus Paytables			
Paytable	TRI-01	TRI-02	TRI-03
Number of Decks	4D-8D-BJ	DD BJ	DD-8D-BJ
Hand	Pays	Pays	Pays
Mini Royal (A,K,Q, Suited)	NA	NA	100 to 1
Three of a Kind	9 to 1	2.5 to 1	33 to 1
Straight Flush	9 to 1	2.5 to 1	35 to 1
Straight	9 to 1	2.5 to 1	10 to 1
Flush	9 to 1	2.5 to 1	5 to 1
Pair	NA	2.5 to 1	NA

(8) A TriLux Bonus Blackjack with dealer envy must be paid in accordance with one of the following paytables:

TriLux Blackjack with Lucky George Paytables								
Paytable	TRILG-01		TRILG-02		TRILG-03		TRILG-04	
Number of Decks	1D-8D		1D-8D		1D-8D		1D, 2D, 6D, 8D	
Hand	Pays	LkyGrg*	Pays	LkyGrg*	Pays	LkyGrg*	Pays	LkyGrg*
Straight Flush	8 to 1	\$1	25 to 1	\$10	25 to 1	\$10	25 to 1	\$10
Three of a Kind	8 to 1	\$1	15 to 1	\$5	15 to 1	\$5	15 to 1	\$5
Straight	8 to 1	\$1	8 to 1	\$2	10 to 1	\$2	10 to 1	\$2
Flush	8 to 1	\$1	5 to 1	\$1	5 to 1	NA	5 to 1	\$1

*Payouts are fixed dollar pays; and

(9) A Super 3 Blackjack wager must be paid in accordance with one of the following paytables:

TriLux Super 3 Paytables	
Paytable	SUP-01*
Number of Decks	4D - 8D BJ
Hand	Pays*
Three of a Kind (Suited)	270 to 1
Straight Flush	180 to 1
Three of a Kind	90 to 1

*TriLux bet must be made to bet Super 3 bet.

Source: 44 SDR 65, effective October 16, 2017.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.18. Variations of the play - Triple Win 20. Triple Win 20 is a variation of blackjack which may only be played on tables displaying the Triple Win 20 table layout. The game is dealt and played following the standard rules of blackjack in this chapter, except as follows:

(1) Triple Win 20 may be played using two to six decks of playing cards. At the beginning of each round, in addition to the regular blackjack bet, the player may also place an optional "Bonus" bet;

(2) No insurance wagers are allowed on Triple Win 20;

(3) The player's first two cards may be dealt face up or down. The dealer's first card is dealt face up and the dealer's second card is dealt face down. Any remaining cards dealt to the player or dealer are dealt face up;

(4) If the first card dealt to the player is an ace, the player wins their bet and is paid before any cards are dealt to the dealer;

(5) If the first card dealt to a player is not an ace, a card is dealt to the dealer. If the dealer's first card is an ace, the dealer wins the hand;

(6) If the first two cards dealt to a player total 20, the player wins their bet and is paid before the second card is dealt to the dealer;

(7) If the second card dealt to a player does not result in a winning hand for the player, a second card is dealt to the dealer. If the dealer's second card results in a value of 20, the dealer wins the hand;

(8) Either the dealer or the player is considered to have busted and lost the hand if the value of their cards exceeds a value of 20;

(9) Any hand can be a push with the dealer if the card values are the same, except in the case of a first card ace or a two card 20 as stated above in subdivisions (4) to (7), inclusive. A push results in a tie with no win or loss for either the player or the dealer; and

(10) Triple Win 20 and Bonus wagers are paid in accordance with the following pay schedules which shall be displayed on the table layout or on signage at the table:

Paytable - 2 to 6 Decks	
1 card total of 11	1 to 1
2 cards total of 20	1 to 1
2 cards total of 20 (Suited Kings)	3 to 2
2 cards total of 20 (Suited Queens)	3 to 2
2 cards total of 20 (Suited Jacks)	3 to 2
Beat dealer's total without busting	1 to 1

Bonus Payout	
First card Ace	7 to 1
2 card pair Jacks, Queens, Kings	10 to 1
2 card suited pairs Jacks, Queens	20 to 1
2 card suited pair Kings	50 to 1

Source: 44 SDR 151, effective April 30, 2018; 45 SDR 83, effective December 11, 2018; 45 SDR 142, effective May 28, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:30.19. Variations of the play--Blazing 7's Progressive. Blazing 7's Progressive is dealt and played following the standard rules of blackjack in this chapter except as follows:

(1) Blazing 7's Progressive may be played only on approved tables equipped with the necessary electronic equipment and signage which display the Blazing 7's Progressive on the table. Six or eight 52-card decks must be used;

(2) To begin each round, players must make their standard blackjack wager. Players may also place an optional progressive wager. Players must place the progressive wager on the sensor in front of the player's position;

(3) The optional wager allows the player to participate in play for a progressive jackpot;

(4) Once all players place their wagers, the dealer will press the appropriate button on the dealer display. The sensors will light up, indicating a progressive wager. The dealer will remove all progressive wagers on the table. As wagers are accepted, the progressive meter will advance by a predetermined amount for each wager placed on the sensor;

(5) The dealer will work in a clockwise fashion to deliver the blackjack cards according to house rules. Once all starting cards have been delivered to the players and the dealer, the dealer will evaluate each hand in a counter-clockwise fashion for a progressive winner. If a player has at least one 7 in their initial two cards the dealer will pay the progressive jackpot according to one of the following paytables selected at the discretion of the casino. The selected payable shall be displayed by table signage or on the table layout:

(a) The Blazing 7's Progressive only considers both the player's initial two cards and the dealer's up card;

(b) Paytables without Dealer Envy:

Paytable 1	Pays
Three 7's - Same Suit	100%
Three 7's - Same Color	10%
Three 7's	200 for 1
First Two Cards - 7	25 for 1
Either of the First Two Cards - 7	2 for 1

Paytable 2	Pays
Three 7's - Diamonds	100%
Three 7's - Suited (Other)	10%
Three 7's - Same Color	500 for 1

Three 7's	200 for 1
First Two Cards - 7	25 for 1
Either of the First Two Cards - 7	2 for 1

Paytable 3	Pays
Three 7's - Diamonds	100% Mega
Three 7's - Suited (Other)	100% Major
Three 7's - Same Color	100% Minor
Three 7's	200 for 1
First Two Cards - 7	25 for 1
Either of the First Two Cards - 7	2 for 1

(c) Paytables with Dealer Envy:

Paytable 1	\$1 Pays	\$1 Dealer Envy	\$5 Pays	\$5 Dealer Envy
Three 7's - Same Suit	100%	\$100	100%	\$100
Three 7's - Same Color	10%	\$25	10%	\$25
Three 7's	200 for 1	\$5	200 for 1	\$5
First Two Cards - Both 7's	25 for 1	\$2	25 for 1	\$2
Either First Two Cards - One 7	2 for 1	N/A	2 for 1	\$1

Paytable 2	\$1 Pays	\$1 Dealer Envy	\$5 Pays	\$5 Dealer Envy
Three 7's - Diamonds	100%	\$100	100%	\$100
Three 7's - Other Suited	10%	\$25	10%	\$25
Three 7's - Same Color	500 for 1	\$10	500 for 1	\$10
Three 7's	200 for 1	\$5	200 for 1	\$5
First Two Cards - Both 7's	25 for 1	\$2	25 for 1	\$2
Either First Two Cards - One 7	2 for 1	N/A	2 for 1	\$1

(6) The original progressive wager is not returned to the player;

(a) A progressive wager shall be paid to the player as follows:

- (i) The percentage pays are paid from the progressive jackpot shown on the progressive meter;
- (ii) Other hands are paid from the tray; the payment does not come off the meter;
- (iii) If more than one progressive hand payable from the progressive meter hits at the same table during the same time, house procedures are then followed for paying the jackpot;
- (iv) If a player has a progressive winner, the dealer will select the player spot corresponding to the player with the winning progressive hand. The dealer will

then press the appropriate hand button on the dealer display. If the button is pressed by accident, pressing it again turns the button off;

- (v) The dealer shall contact a supervisor;
- (vi) Once the casino verifies the progressive win, the supervisor will press the confirm button on the dealer display. To complete the action, a supervisor or executive card (depending on jackpot level) swipe is required. This records the win onto the Progressive computer and adjusts the meter appropriately for the prize won;
- (vii) The 100% award will reset the meter to the seed amount, plus any reserve amount; and
- (viii) When the dealer reconciles all actions, the dealer presses the appropriate button on the dealer display to reset the system to begin the next hand and log into the progressive system;

(7) When using one of the paytables that includes the Dealer Envy option, this envy payout is paid directly to the dealer's tip pool when a qualifying hand is won by the player;

(8) Once the progressive has been resolved, the standard blackjack game will resume according to house rules; and

(9) A licensee may not discontinue offering a Blazing 7's Progressive jackpot until the highest progressive jackpot award has been won by a qualified player or players. If a licensee wishes to discontinue offering a progressive jackpot award, the licensee may petition the executive secretary for permission to either reduce the qualifications or criteria for winning the award, allowing the award to be paid more quickly, or to transfer the award liability to the jackpot offered by a different game. If a retail licensee intends to close its business while having a progressive jackpot award liability, the licensee may petition the executive secretary for permission to transfer the award liability, along with the award fund, to another retail licensee offering a comparable jackpot award.

Source: 45 SDR 142, effective May 28, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-15.

20:18:15:31. Posting of rules. A retail licensee must post the rules of play and betting of blackjack and house banked poker games in a prominent place in the table games area approved by the executive secretary so that they can be easily read by each player.

Source: 16 SDR 57, effective October 1, 1989; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-15.

20:18:15:32. Procedure for distribution of chips to blackjack table. A fill slip must be prepared when chips, tokens, or coins are distributed from the chip bank cashier to the blackjack

table. The fill slip must be at least a two-part carbonless form. Prior to use, access to the fill slips must be restricted to authorized personnel.

Fill slips must be sequentially prenumbered forms and must be used in order. Serial numbers of all fill slips in possession of a retail licensee must be reconciled. All original and duplicate void slips must be marked "VOID" and require the signature of the preparer.

The original and duplicate fill slips must contain the following:

- (1) The date and time;
- (2) The denomination of chips, tokens, and coins;
- (3) The total dollar value for each denomination of chips, tokens, and coins;
- (4) The grand total dollar value of the chips, tokens, and coins;
- (5) The number of the table receiving the chips, tokens, and coins;
- (6) The signature of the chip bank cashier; and
- (7) The signature of the pit boss or runner, if one is employed, who must confirm the fill and sign the fill slip.

After the fill slip has been prepared, a duplicate must be retained by the chip bank cashier.

The original of the fill slip must be signed by the dealer assigned to the blackjack table to which the chips, tokens, and coins are to be taken.

The original of the fill slip must be deposited in the drop box by the dealer.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 27 SDR 53, effective December 4, 2000.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3)(6A), 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-15.

20:18:15:33. Procedure for removing chips or coins from the blackjack table. A credit slip must be prepared for the removal of chips, tokens, and coins from the blackjack table to the chip bank cashier. The credit slip must be a two-part carbonless form. Prior to use, access to the credit slip must be restricted to authorized personnel.

Credit slips must be sequentially prenumbered forms and must be used in order. The serial numbers of all credit slips in possession of the retail licensee must be reconciled. All original and duplicate void credit slips must be marked "VOID" and must be signed by the preparer.

A credit slip must be prepared by the dealer, chip bank cashier, or retail licensee whenever chips, tokens, or coins are returned from the blackjack table to the chip bank cashier.

On the original and duplicate credit slip, the following information must be recorded:

- (1) The date and time;
- (2) The denomination of chips, tokens, or coins;
- (3) The total dollar value for each denomination of chips, tokens, or coins;

- (4) The grand total dollar value of chips, tokens, and coins;
- (5) The table number from which the chips, tokens, and coins are removed;
- (6) The signature of the dealer assigned to the blackjack table from which the chips, tokens, and coins are removed. After the credit slip has been executed, the original copy of the credit slip must be deposited by the dealer in the blackjack table drop box; and
- (7) If a pit boss or runner is employed, the pit boss or runner must verify the credit and sign the credit slip.

The duplicate copy of the credit slip must be signed and be retained by the chip bank cashier.

Source: 16 SDR 57, effective October 1, 1989; 27 SDR 53, effective December 4, 2000.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3)(6A), 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-15.

20:18:15:34. Procedure for accepting cash at blackjack table. A dealer who receives currency from a player at a blackjack table in exchange for chips or coins must do the following:

- (1) The currency must be spread on top of the blackjack table by the dealer accepting it, in full view of the player;
- (2) The amount of currency must be stated by the dealer accepting it; and
- (3) Immediately after an equivalent dollar amount of chips, tokens, or coins has been given to the player, the currency must be taken from the top of the blackjack table and placed by the dealer into the drop box.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:35. Drop procedures. At the close of a shift or at the conclusion of a day's gaming, a blackjack or house banked poker table's chip, token, and coin inventory must be counted and the total of each denomination of chips, tokens, and coins must be recorded together with their grand total on a table inventory form. A final fill or credit may be made to restore the table bank to its beginning total. This may be accomplished by using a fill or credit slip when chips or tokens are added or removed.

If final fills or credits are not made, beginning and ending inventories must be recorded on a master game sheet for shift-win calculation purposes.

At the end of a shift or at the conclusion of the final shift of the gaming day, all locked drop boxes must be removed from the blackjack, poker, and house banked poker tables by two persons who must transport the drop boxes directly to the count room or other secure area for counting.

If not counted immediately, the drop boxes must be locked securely until the count takes place.

Source: 16 SDR 57, effective October 1, 1989; 35 SDR 184, effective February 2, 2009; 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:15:36. Count procedures. The count of blackjack, poker, house banked poker, and slot machine revenue must be performed by a minimum of two persons. A licensee must designate a secured room for the count. The executive secretary must approve the designation. The drop boxes must be individually emptied on the count room table. Each empty drop box must be viewed by at least one other member of the count team to confirm that it is empty. As the contents of a drop box are counted and verified by the counting employees, the count must be recorded in ink on the master game report.

The fill and credit slips taken from the drop box must be compared to the amounts of the fills and credits recorded on the master game report. Corrections on soft count documentation must be made by crossing out the error and entering the correct figure and by obtaining the initials of at least two count team members.

Immediately after the master game report has been reconciled to the currency, all members of the count team must attest by signature to the accuracy of the blackjack, poker, and house banked poker drop count. All cash counted must be given to an independent person for verification. The independent person who verifies the count must certify by signature as to the accuracy of the money delivered and received.

After verification by the independent person, the master game report with the necessary supporting documents must promptly be delivered to the retail licensee's accounting department and held there as a permanent record.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:15:36.01. Drop box requirements. Drop box markings must be visible from a distance of at least 20 feet. The container must be locked to the table with a lock separately keyed from the container itself. Currency exchanged for chips or at the table and all other items or documents relating to transactions at the table must be put into the drop box.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:09, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:15:37. Keys. The following keys must be controlled in such a manner that access to blackjack drop boxes requires at least two persons other than the cashier:

- (1) Count room keys;
- (2) Drop box rack keys;
- (3) Drop box removal keys;
- (4) Drop box contents keys; and
- (5) Duplicate keys.

Source: 16 SDR 57, effective October 1, 1989; 23 SDR 227, effective July 1, 1997.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-3, 42-7B-7, 42-7B-15.

20:18:15:38. Statistics. Individual and statistical game records reflecting drop, win, and win-to-drop percentage amounts must be maintained by the licensee.

Statistics for blackjack must be maintained by shift, by day, cumulative month to date, and cumulative year to date. The statistics must be presented to the executive secretary monthly.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:15:39. Tip bets. Players may place tip bets. A tip bet may not exceed the maximum wager allowed. Once the hand is played, the dealer places all losses to the player in the table tray. If the player wins, the dealer may receive the tip bet as a gratuity. In the case of a push, the tip bet may stand.

Any tip or gratuity given to dealers shall be immediately deposited into a locked tip box or transparent tip tube which is reserved for that purpose.

For exchanging dealer tips to a higher denomination before insertion into the tip box, which is sometimes referred to as "coloring up," the following requirements shall be met:

(1) A transparent cylinder or tube shall be attached to the table to maintain the chips until "coloring up." The capacity of the cylinder or tube may not exceed twenty-five chips; and

(2) Prior to coloring up chips, the dealer shall make the announcement in a voice that can be heard by the table games supervisor that chips are being colored up. The dealer shall then deposit an equal value of higher denomination chip or chips into the tip box and place the lower denomination chips into the chip tray.

Source: 19 SDR 21, effective August 20, 1992; 38 SDR 213, effective June 18, 2012.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7, 42-7B-11(13).

Cross-Reference: Push - Exceptions, § 20:18:15:04.

CHAPTER 20:18:16

POKER

Section

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Declaratory Ruling:

The table game known as Casino War meets the definition of poker pursuant to SDCL 42-7B-4(18) and is an authorized variation of the game of poker pursuant to that statute and that the game may be played in Deadwood provided that a licensee requests approval of the rules for the play of the game and that the rules are legally promulgated and adopted. South Dakota Commission on Gaming Declaratory Ruling dated April 6, 2006.

20:18:16:01. Definitions. Terms used in this chapter mean:

- (1) "Ante," a player's initial bet or predetermined contribution to the pot before the first card of the game is dealt;
- (2) "Bad bet pots" and "pool pots," progressive amounts of money which are contributed by poker patrons and distributed back to poker patrons by the licensee based on the occurrence of a predetermined event, such as a losing hand containing a predetermined combination of cards;
- (3) "Bet," a player's wager to the pot on any betting round;
- (4) "Betting round," a complete cycle in a hand of poker after all players have called or folded;
- (5) "Blind bet," a bet made before the first card of the game is dealt;
- (6) "Button," an object which is moved clockwise around the table to denote an imaginary dealer;
- (7) "Buy-in," a purchase of chips by a player prior to play;
- (8) "Call," a bet made equal to the immediately preceding bet;
- (9) "Check," to waive the right to initiate the betting in a round, but to retain the right to call;
- (10) "Check and raise," a raise after a player first checked in a round;
- (11) "Chips," tokens or 25-cent coins, 50-cent coins, or silver dollars;
- (12) "Community cards," in the game of Texas hold'em, cards dealt face upward which can be used by all players to make their best hand;
- (13) "Deal," the distribution of playing cards among the players;
- (14) "Deuce," the term for the number two card of any suit;
- (15) "Draw," in draw poker, the taking of additional cards by a player prior to the second round of betting;
- (16) "Flop," in the games of Texas hold'em and Omaha, the first three community cards dealt face up at one time;
- (17) "Fold," to discard a hand during a betting round by refusing to match a bet;
- (18) "Hand," one game in a series, one deal, the cards held by a player, or the best five cards of a player's holding;
- (19) "Hole-card," a card held by a player which is unseen by the other players;
- (20) "Live stakes," chips, tokens, coins, and currency on the table in front of a player;
- (21) "Misdeal," to deal a hand of poker wrongly, including dealing to at least two players more cards than those players are entitled to and dealing to at least two players more cards than those players are entitled to after the dealing of the hand is completed;
- (22) "Open," "openers," "to open," a bet or a check by the required player;
- (23) "Opener," the player who makes the first bet in any betting round;
- (24) "Pat hand," a hand which does not need another card drawn to it;

- (25) "Pot," a location on the poker table; the total amount anted and bet by players during a game which is awarded to the winning player or players;
- (26) "Raise," a bet in an amount greater than the immediately preceding bet in that betting round;
- (27) "Rake-off" or "rake," the amount taken from the pot by the retail licensee;
- (28) "Round," a cycle of bets made by the players following the deal of the cards;
- (29) "Showdown," the revealing of each player's hand by the player after the last bet to determine the winners of the pot;
- (30) "Stake," the funds with which a player enters the game; and
- (31) "Wild card," a card that a player may declare to have any value in the deck.

Source: 16 SDR 57, effective October 1, 1989; 17 SDR 93, effective January 6, 1991; 18 SDR 9, effective July 23, 1991; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:02. Types of poker authorized. The retail licensee may conduct the following poker games:

- (1) Texas hold 'em;
- (2) Five-card low draw poker;
- (3) Five-card high draw poker;
- (4) Five-card high-low split draw poker;
- (5) Five-card high stud poker;
- (6) Seven-card low stud poker;
- (7) Seven-card high stud poker;
- (8) Seven-card high-low split stud poker;
- (9) Omaha;
- (10) Pineapple poker;
- (11) Super eight poker;
- (12) Hold 'em eighty-eight;
- (13) Three-card poker;
- (14) Let it ride poker;
- (15) Phil 'em up poker;
- (16) Caribbean stud poker;
- (17) Bonus 6 poker;
- (18) Twisted pineapple poker;
- (19) Texas shootout poker;
- (20) Silverado stud poker;
- (21) Four-card poker;
- (22) Hold'em 212 poker;
- (23) Texas hold'em bonus poker;
- (24) Heads up poker challenge;
- (25) Mississippi stud poker;
- (26) Ultimate Texas hold'em;
- (27) Pai Gow;
- (28) Casino War;

- (29) Fortune Pai Gow;
- (30) Hot Poker Spot;
- (31) Flushes Gone Wild;
- (32) High Card Flush;
- (33) Cover All Bonus; and
- (34) Dakota Duel Draw.

Source: 16 SDR 57, effective October 1, 1989; 17 SDR 93, effective January 6, 1991; 18 SDR 9, effective July 23, 1991; 21 SDR 98, effective November 30, 1994; 23 SDR 227, effective July 1, 1997; 25 SDR 172, effective July 11, 1999; 28 SDR 24, effective August 28, 2001; 37 SDR 131, effective January 10, 2011; 38 SDR 213, effective June 18, 2012; 40 SDR 109, effective December 2, 2013; 42 SDR 77, effective November 30, 2015; 44 SDR 151, effective April 30, 2018; 47 SDR 109, effective April 26, 2021.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:03. Ranking of cards in hands. The cards are ranked ace, king, queen, jack, ten, nine, eight, seven, six, five, four, three, and deuce. The ace is the highest ranked card in high poker and is ranked lower than a deuce in low poker. A poker hand in a showdown consists of five cards, usually the best five selected from a greater number, ranked according to the following from highest to lowest:

- (1) Five aces--four aces of different suits and the joker;
- (2) Straight flush--five cards of the same suit in sequence; an ace-high straight flush is a "royal flush";
- (3) Four of a kind--four cards of the same rank;
- (4) Full house--three cards of the same rank and two cards of the same rank;
- (5) Flush--five cards of the same suit;
- (6) Straight--five cards in sequence; an ace may be low in a five-high-card straight;
- (7) Three of a kind--three cards of the same rank;
- (8) Two pair--two cards of the same rank and two cards of one other rank;
- (9) One pair--two cards of the same rank; and
- (10) High card--the highest-ranking card in the hand.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:04. Use of joker. At the discretion of the licensee, the joker may be used in draw poker as a wild card, an ace, or as any other card not already in the player's hand to complete a straight flush, a flush, or a straight. The joker may be used in low poker as a card of the lowest rank not already in the player's hand.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:05. Tie. At a showdown if two or more hands are tied, the hand with the highest ranked card or cards wins; otherwise, the tie must be broken by the rank of the unmatched cards in the hand. All suits are of equal value for determining hand rankings.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:06. Cards. The cards in the game of poker must be one complete standard deck of 52 cards. A joker may be used. The design on the backs of the cards in the deck must be identical, and no card may contain any marking, symbol, or design that enables a player to know the identity of any element printed on the face of the card. The backs of the cards may contain a logo. The backs of the cards in the deck must be designed to eliminate the ability of any person to place concealed markings on them. No retail licensee may use cards that are taped, cut, shaved, marked, defaced, bent, crimped, or deformed.

Any cards which have been opened and placed on a poker table shall be removed from play and inspected within twenty-four (24) hours or less and may not be returned to any poker table for at least seventy-two (72) hours. The licensee must keep a log of the removal and inspection.

Source: 16 SDR 57, effective October 1, 1989; 41 SDR 7, effective July 29, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-15.

20:18:16:07. Retail licensee to provide dealer. The retail licensee must provide the dealer.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:08. Shuffle and cut of the cards. Before the play, the dealer must, in front of the players, shuffle the cards so that they are randomly intermixed. The dealer must cut the cards. The dealer must restack the cards with the former bottom part of the deck on top. The dealer must place the cutting card on the bottom of the deck to conceal the last card which must never be dealt.

The retail licensee must have two separate decks of cards available at each table. The color of the backs of the cards of the two decks must be of a different predominant color. A player may request that the dealer change decks. If such a request is made, the dealer must switch the decks at the end of that hand.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:09. Ante. An ante may be used in the game at the discretion of the retail licensee. The player must ante for each hand by placing chips equaling the ante in front of the player on the table before the first card of the game is dealt. The dealer must sweep the antes and place them in the pot. Once the first card is dealt to any player, the ante may not be altered.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:10. The deal. Cards must be dealt out of the hand by the dealer. A button may be moved around the table clockwise, player to player, so that the player who has the button receives the advantage of playing and betting last. The first holder of the button must be determined at random by dealing for the high card.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:11. The play -- Texas hold'em. Texas hold'em must be played according to the following rules:

(1) The dealer must deal two cards to each player, face downward and one at a time. The first player to receive a card is the player to the left of the player who has the button. The last player to receive cards is the player assigned the button. After each player has received two cards, there is a betting round and the players may bet an amount not more than the posted table limit. The player to the left of the button opens and each following player may call, raise, or fold;

(2) The dealer deals three community cards from the deck and turns the cards face upward, in the center of the table. Community cards are common to the hand of every active player in the pot;

(3) After the flop, the betting continues for another round. The player sitting left of the player assigned the button opens. After the opening, a player may call, raise, or fold;

(4) The dealer deals another community card face upward in the center of the table. Another betting round occurs. The dealer deals another community card face upward in the center of the table for the final betting round. If there are two or more players remaining in the game after all bets are made, there is a showdown;

(5) In high Texas hold'em, the highest hand wins the pot. In high-low split Texas hold'em, the highest hand and the lowest hand split the pot. A player who wins in one direction (high or low) and ties a player for the other direction, receives three-quarters of the pot. A player who wins in both directions without a tie receives all of the pot. Aces may be used for either high or low; and

(6) In Texas hold'em, a player may elect to play the remaining cards in the player's hand twice for half the pot each time if the following conditions exist:

- (a) The opportunity must be allowed in the current game;
- (b) Only two players are remaining in the pot;
- (c) One player must be all in and called;
- (d) Both players agree;
- (e) The players must notify the dealer prior to the remaining cards being dealt; and
- (f) Both players' remaining hands must be turned face up.

This option is not allowed in tournament play and only the first board is eligible for any bad beat or other promotional jackpots.

Source: 16 SDR 57, effective October 1, 1989; 40 SDR 101, effective December 2, 2013; 44 SDR 65, effective October 16, 2017.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:11.01. The play -- Omaha. Omaha must be played according to the following rules:

(1) The dealer must deal four cards to each player face down and one at a time. The first party to receive a card is the player to the left of the player who has the button. The last player to receive a card is the player assigned the button. After each player has received four cards, there is a betting round. The player to the left of the button opens and each following player must call, raise, or fold;

(2) The dealer then deals three community cards from the deck and turns them face upward in the center of the table. Community cards are common to the hand of every active player in the pot;

(3) After the flop, the betting continues for another round. The player sitting left of the player assigned the button opens. After the opening, a player must call, raise, or fold; and

(4) The dealer deals another community card face upward in the center of the table. Another betting round occurs. The dealer deals another community card face upward in the center of the table for the final betting round. After all bets are made and if there are two or more players remaining in the game, there is a showdown with the highest hand and the lowest hand splitting the pot. A player who wins in one direction and ties a player for the other direction receives three-quarters of the pot. A player who wins both directions without a tie receives all of the pot. Aces may be used for either high or low.

Source: 18 SDR 9, effective July 23, 1991.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:11.02. The play -- Pineapple/Crazy Pineapple poker - high or high-low split. Pineapple/Crazy Pineapple poker, both high and high-low split, must be played according to the following rules:

(1) The dealer must deal three cards to each player face down and one at a time. The first player to receive a card is the player to the left of the player who has the button. The last player to receive a card is the player assigned the button. After each player has received three cards, the player to the left of the player assigned the button opens the betting and each following player must call, raise, or fold;

(2) (Pineapple), before the dealer deals the flop, all remaining active players in the pot must discard one card out of their hand; (Crazy Pineapple), after the dealer deals the flop, all remaining active players in the pot must discard one card out of their hand;

(3) The dealer then deals three community cards from the deck and turns the cards face upward in the center of the table. Community cards are common to the hand of every active player in the pot;

(4) After the flop, the betting continues for another round. The player sitting to the left of the player assigned the button opens. After the opening, a player must call, raise, or fold;

(5) The dealer deals another community card face up in the center of the table. Another betting round occurs. The dealer deals another community card face up in the center of the table for the final betting round. After all bets are made and if there are two or more players remaining in the game, there is a showdown; and

(6) In high pineapple, the highest hand wins the pot. In high-low split pineapple, the highest hand and the lowest hand split the pot. A player who wins in one direction and ties a player for the other direction receives three-quarters of the pot. A player who wins in both directions without a tie receives all of the pot. Aces may be used for either high or low.

Source: 20 SDR 113, effective January 23, 1994; 33 SDR 63, effective October 18, 2006.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:11.03. The play -- Super eight poker. Super eight poker must be played according to the following rules:

(1) The dealer must deal three cards to each player, face downward and one at a time. The first player to receive a card is the player to the left of the player who has the button. The last player to receive cards is the player assigned the button. After each player has received three cards, there is a betting round and the players may bet an amount not more than the posted table limit. The player to the left of the button opens and each following player may call, raise, or fold;

(2) The dealer deals three community cards from the deck and turns the cards face upward, in the center of the table. Community cards are common to the hand of each active player in the pot;

(3) After the flop, the betting continues for another round. The player sitting left of the player assigned the button opens. After the opening, a player may call, raise, or fold;

(4) The dealer deals another community card face upward in the center of the table. Another betting round occurs. The dealer deals another community card face upward in the center of the table for the final betting round;

(5) After all bets are made and if there are two or more players remaining in the game, there is a showdown;

(6) A straight high or high-low is split allowed, with the best high or low hand splitting the pot. Aces may be used for either high or low;

(7) A low hand must have an eight or lower hand;

(8) Players may use any combination of their down cards and the five community cards to form their best five card high or low hand; and

(9) There is a 1 to 4 and 1 to 5 limit.

Source: 21 SDR 98, effective November 30, 1994; 27 SDR 73, effective January 30, 2001; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-4(18), 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-15.

20:18:16:12. The play -- Draw poker. The games five-card low draw poker, five-card high draw poker, and five-card high-low split draw poker must be played according to the following rules:

(1) The dealer must deal sequentially to each player five cards face downward. The player to the immediate left of the player with the button opens. After the initial betting round, the players must either retain their pat hands or discard. The players' discards are placed in the discard pile. Players who discard are dealt a new card face downward for each card discarded. Players' newly dealt cards are received at the same time as cards are discarded. There is a betting round followed by showdown;

(2) In the game five-card low draw poker, the lowest ranking hand wins the pot;

(3) In the game five-card high draw poker, the highest ranking hand wins the pot. If a joker is used, it must be used as an ace or used to complete a straight flush, a flush, or a straight; and

(4) In the game five-card high-low split draw poker, the player with the best high hand and the player with the best low hand split the pot. A player who wins high or low and ties a player for the other receives three-quarters of the pot. A player may win both high and low at the same time. If the chips contained in the pot are not divisible by two, the player with the high hand must be awarded the odd chip after the remaining pot is split equally.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:13. The play -- Five-card stud poker. In five-card stud poker, the player must receive one card face downward and one card face upward to form the initial hand. The player must receive three more cards dealt face upward one at a time. There must be a total of four betting rounds, one after each new card has been dealt face upward. After the initial deal, the player with the high card opens. If two or more players have an opening card of the same value, the opener must be determined by the rank of the suits of the cards as follows: spades, hearts, diamonds, and clubs. On all subsequent rounds, the player with the best hand showing opens. Five-card stud poker is only played at high poker.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:14. The play -- Seven-card low stud poker and seven-card high stud poker. In seven-card low stud poker and seven-card high stud poker, the player receives two cards dealt face downward and one card dealt face upward. At the retail licensee's discretion, the player with the high or low card opens. If two or more players have a card of the same value, the low or high card must be determined by the rank of the suits of cards as follows: spades, hearts, diamonds, and clubs from highest to lowest. On all subsequent rounds, the player with the best hand showing opens. The players receive three additional cards dealt face upward and a final card dealt face downward, with a betting round after each card. In seven-card stud high, the highest hand wins the pot. In seven-card stud low, the lowest hand wins the pot.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:15. The play -- Seven-card high-low split stud poker. In seven-card high-low split stud poker, the highest hand and the lowest hand split the pot. A player who wins in one direction and ties a player for the other direction receives three-quarters of the pot. A player who wins both directions without a tie receives all of the pot. Aces may be used for either high or low. The betting is the same as in seven-card stud poker.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:15.01. The play -- Hold 'em eighty-eight. Hold 'em eighty-eight must be played according to the following rules:

(1) Hold 'em eighty-eight may only be played on tables designated by the licensee for the play of Hold 'em eighty-eight. A single deck of cards and a dealer button must be used;

(2) Each player makes an initial bet in the amount specified at the table and places the bet in the first circle in front of the player's position;

(3) Following shuffle and cut, the dealer burns a card and deals two cards to each player, face downward and one at a time. The first player to receive a card is the player to the left of the player who has the button. The last player to receive cards is the player assigned the button;

(4) The dealer burns the top card of the deck and deals the three-card flop in the center of the table. The dealer then burns the top card of the deck and deals one final community card face down in the center of the table. Community cards are common to the hand of every active player in the pot;

(5) After the flop, a player may either fold or may raise the player's bet by an amount not more than the posted table limit. If a player folds, the player's wager is pulled to the middle and the hand is removed from play. If a player raises, the raise is placed in the second circle in front of each player's position;

(6) The dealer turns over the fourth community card, pulls the bets into the pot, and takes the rake; and

(7) All players remaining in the game show their cards and the player holding the highest hand wins the pot. Each player makes that player's best five-card hand, using either one card from the player's hand together with four community cards or both cards from the player's hand together with three community cards. If two or more players have a tying hand, the pot is split among them.

Source: 23 SDR 227, effective July 1, 1997; 27 SDR 73, effective January 30, 2001; 32 SDR 128, effective January 30, 2006; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-4(18), 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-15.

20:18:16:15.02. The play -- Three-card poker. Three-card poker must be played according to the following rules:

(1) Three-card poker may be played only on tables designated by the licensee for the play of three-card poker. A single deck of cards must be used. At the operator's discretion, each player may play up to two hands following each shuffle of the deck. The rank of hands in three-card poker, from highest to lowest is straight flush, three of a kind, straight, flush, pair, and high card;

(2) Each player must make at least one initial bet in the amount specified at the table by the retail licensee and must place the bet or bets in either one, or both, of the pair plus or the ante wagering areas in front of the player's position. The optional progressive bet is made on the sensor in front of the player's position. The pair plus and optional progressive bets are placed to play for hand value only; the ante bet is placed to play against the dealer; both bets may be placed if the player wishes to play both ways. There is also an optional six card bonus wager that may be wagered to play against a payable for the best five card hand that may be made using the player's three card hand and the dealer's three card hand. To make the six card bonus wager, players must place a bet in the betting area marked as "six card bonus";

(3) Any dealer tip delivered as a wager may be placed on either one, or both, of the pair plus or ante hands, provided that the player has placed a personal wager on the same hand. If a player

continues play with a play wager, the dealer's tip ante may remain in play whether or not the player adds a play wager for the dealer;

(4) Immediately before play begins and after each round of play has been completed, the dealer must shuffle the cards. After each player places his or her bets, the dealer shall press the appropriate button on the keypad. The sensors must lock in the bet and light up, indicating a progressive wager. The dealer shall remove all progressive bets from the table. Following shuffle and cut, the dealer deals three cards to each player and to the dealer, either face downward and one at a time in rotation among the players and the dealer or in a three-card group dispensed by a mechanical shuffling device. The first player to receive a card or cards is the player to the left of the dealer; the dealer receives cards last;

(5) An incorrect number of cards dealt to a player or to the dealer is always a misdeal. An exposed card is not a misdeal. If the dealer exposes a card, the dealer turns the card over and continues dealing;

(6) Wagers are collected or paid in this order: play, ante bonus (if applicable), ante, pair plus, and six card bonus. The optional progressive wager must be collected prior to cards being dealt. The sensor must stay lighted during the round of play if a progressive wager was made and winning hands must be paid at the completion of the round of play;

(7) For the dealer's hand to qualify to play against the players' hands, the dealer's hand must have a value of queen high or better. If the dealer's hand does not qualify to play, all ante bets are won by the players and paid at the rate of 1 to 1. If the dealer's hand does not qualify to play, all play bets are pushes and bets are neither collected nor paid;

(8) If a player has placed an ante wager and does not wish to play, the player may fold and forfeit the ante bet. If a player folds and has made a six card bonus wager, the six card bonus wager remains in play and resolved at the end. If a player who has placed a pair plus wager does not receive at least a pair, the wager is lost and the player must fold the player's cards. After all players who wish to fold have folded, the dealer collects the ante or the pair plus wagers, or both, and the cards from each player who folded. All bets must be collected in the order in which the players fold. As the dealer collects the cards, the cards are spread face down to count the cards and then placed in the discard rack. A player may ask to view the folded hands;

(9) If a player who has placed an ante wager wishes to stay in the hand, the player must place an additional wager in an amount equal to the ante in the play wagering area in front of the player's position and must place the player's hand under the wager in the play area;

(10) After all players have acted, the dealer exposes the dealer's cards and creates the best possible three-card poker hand, ranking the cards from the dealer's left to the right and allowing the players to see the hand the dealer then takes either of the following actions:

(a) If the dealer does not have a qualifying hand, there is no action on the play bets; the ante bonuses are paid on all straights or better; all ante bets are paid; all pair plus wagers are paid or taken; and all six card bonus wagers are paid or taken; or

(b) If the dealer has a qualifying hand, the play wagers are paid or taken; the ante bonuses are paid on all straights or better; the ante is paid or taken; the pair plus wagers are paid or taken; and all six card bonus wagers are paid or taken;

(11) If, after ranking the cards, the dealer finds that the dealer's first two cards are a tie with a player's, the third card determines the winner. A tied hand is a push on the play and on the ante; however, the bonuses on the ante and the pair plus wagers are always paid if applicable;

(12) If a player beats the dealer's qualifying hand, the player wins the player's ante and play bets, both of which are paid at the rate of 1 to 1. If the dealer's hand has a higher poker rank than the player's hand, the player loses both the player's ante and play bets. Tied hands are pushes;

(13) The following hands are always paid a bonus on the ante as the bonus does not play against the dealer:

- (a) Straight flush pays 5 to 1;
- (b) Three of a kind pays 4 to 1; and
- (c) Straight pays 1 to 1 (even money);

(14) If a player has bet on pair plus and the player's hand contains a pair or better, the player wins, regardless of the dealer's hand. If the player's hand contains less than a pair, the player loses. The player is paid according to the following payment schedule, which must be included as part of the table layout:

Hand	Paytable 1	Paytable 2
Straight Flush	40 to 1	40 to 1
Three of a Kind	30 to 1	30 to 1
Straight	6 to 1	6 to 1
Flush	4 to 1	3 to 1
Pair	1 to 1	1 to 1

(15) If a player has bet on the optional six card bonus wager, the dealer shall combine the dealer's three cards with the player's three cards to determine the best five card poker hand. If the hand contains a three-of-a-kind or better, the player is paid according to one of the following payment schedules, as determined by the casino, and displayed on the table:

Hand	TCP-6B1	TCP-6B2	TCP-6B3	TCP-6B4
Royal Flush	1,000 to 1	1,000 to 1	1,000 to 1	1,000 to 1
Straight Flush	200 to 1	200 to 1	200 to 1	200 to 1
Four of a Kind	50 to 1	50 to 1	100 to 1	100 to 1
Full House	25 to 1	25 to 1	20 to 1	20 to 1
Flush	20 to 1	15 to 1	15 to 1	15 to 1
Straight	10 to 1	10 to 1	9 to 1	10 to 1
Three of a Kind	5 to 1	5 to 1	8 to 1	7 to 1

and:

(16) If a player has bet on the optional progressive wager and the player's hand contains a straight or better for payable 1 or a three of a kind or better for payable 2, the player wins, regardless of the dealer's hand. If the player's hand contains less than a straight for payable 1 or a three of a kind for payable 2, the player loses. The player is paid according to the following payment schedule, as determined by the casino, and displayed on a table placard or on a video display:

Paytable 1		
AKQ Spades	100% of the meter	\$100 Envy Bonus
AKQ Diamonds/Hearts/Clubs	500 for 1	\$25 Envy Bonus
Straight Flush	70 for 1	
Three of a kind	60 for 1	
Straight	6 for 1	

Paytable 2		
AKQ Spades	100% of the meter	\$100 Envy Bonus
AKQ Diamonds/Hearts/Clubs	500 for 1	\$25 Envy Bonus
Straight Flush	100 for 1	
Three of a kind	90 for 1	

The original progressive wager is not returned to the player. The initial meter seeding shall be \$1,000 and the meter shall be reseeded at \$1,000 each time after the top prize hits.

(a) A progressive wager shall be paid to the player as follows:

(i) The percentage pays are paid from the progressive jackpot shown on the progressive meter;

(ii) Other hands are paid from the tray; the payment does not come off the meter;

(iii) If a player has a progressive winner, the dealer shall press the appropriate button on the keypad and contact a supervisor. If the button is pressed by accident, pressing it again shall turn the button off;

(iv) If more than one progressive hand payable from the progressive meter hits at the same table during the same time, house procedures are then followed for paying the prize;

(v) After keying in the progressive winner, the meter may be reduced, depending on the winning hand. Keying in a 100% award will reset the meter to the seed amount, plus any reserve amount. The dealer will continue handling progressive awards in a counter-clockwise fashion; and

(vi) When the dealer reconciles all action, the dealer presses the appropriate button on the keypad. This resets the system to begin the next hand and be logged into the progressive system.

(b) A player making the progressive side wager on the envy bonus qualifies to win an envy payout. If any other player at the table made the progressive side bet and hits a hand associated with an envy pay, the player wins the envy pay. The player hitting the hand receives the normal prize pay only, but does not receive the envy pay. Rule of thumb: You cannot win an envy bonus pay from yourself or the dealer. If a player's hand triggers an envy payout, the dealer shall leave the hand face-up on the layout; otherwise, the dealer shall lock up the cards. The dealer shall then move on to the next player.

The dealer pays any envy bonus at the end of the round. If more than one player is involved in a qualifying envy pay, each qualifying player wins multiple envy payouts; and

(17) The provisions of §§ 20:18:16:21 and 20:18:16:31.01 do not apply to three-card poker.

Source: 23 SDR 227, effective July 1, 1997; 29 SDR 147, effective May 6, 2003; 32 SDR 128, effective January 30, 2006; 36 SDR 22, effective August 18, 2009; 38 SDR 101, effective December 5, 2011; 41 SDR 187, effective May 13, 2015; 41 SDR 218, effective July 1, 2015; 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

Cross-References:

Table stakes, § 20:18:16:21.

Exposing hand, § 20:18:16:31.01.

20:18:16:15.03. The play -- Let it ride and let it ride bonus including three card bonus optional side bet or progressive optional side bet. Let it ride, let it ride bonus, and let it ride progressive must be played according to the following rules:

(1) Let it ride may be played only on tables designated by the licensee for the play of let it ride. Let it ride bonus may be played only on tables designated by the licensee for the play of let it ride bonus. Let it ride progressive may be played only on tables designated by the licensee for the play of let it ride progressive. A single deck of cards must be used. Players do not play against the dealer or against any other player. Each player may play only one hand following each shuffle of the deck. Winning hands are determined and paid according to the payment schedule which must be displayed as part of the table layout;

(2) Each player must make three equal bets by placing the bets in the three designated wagering areas in front of the player's position. Where let it ride bonus is offered, each player may place an additional bonus bet that awards a bonus payout to the player who receives a poker hand consisting of certain card combinations as listed in subdivision (9) below. Where let it ride progressive is offered, each player may place an additional progressive bet that awards a bonus payout to the player who receives a poker hand consisting of certain card combinations as listed in subdivision (10). The bonus bet or the progressive bet is placed on the sensor in front of the player's position. Where the three card bonus optional side bet is offered, each player may place an additional bonus bet that awards a bonus payout to the player who receives three card combinations as listed in subdivision (9) of this section. This three card bonus bet is placed in the wagering area identified as such. After each player has had the opportunity to place his or her

wagers, the dealer ensures that the red bonus bet sensor is illuminated for each player who has placed a bonus bet or progressive bet, the dealer will then announce, "No more bets." The dealer will collect the bonus bets or progressive bets and place the bets in the chip tray;

(3) Any dealer tip delivered as a wager must be placed as a single wager above the player's let it ride third wagering area (marked as "\$"), or next to the player's 3 card bonus wager, to be settled at the end of the play of the hand at the odds listed and in accordance with the payment schedules;

(4) If the cards are hand dealt, immediately before the start of play and after each round of play has been completed, the dealer must shuffle the cards. Following shuffle and cut, the dealer deals three cards to each player and two cards to the dealer, face downward and one at a time in clockwise rotation among the players and the dealer (the dealer does not receive a card in the third rotation). If a mechanical shuffling device which dispenses cards in three-card groups is being used, the first player to receive cards is the player to the left of the dealer; the dealer receives cards last. The dealer plays the top two cards of the group dealt to the dealer. The bottom card of the three-card group is not played and is placed in the discard rack without being viewed. The dealer's remaining two cards are used as community cards. After all cards have been dealt, the dealer places the remaining cards into the discard rack without exposing the cards;

(5) After a player looks at the player's cards, the player may ask for the player's first bet back or may let all of the wagers remain in play. The players act in order, beginning with the first player to the dealer's left and moving clockwise. If a player chooses to withdraw bet number one, the dealer moves the player's wager toward the player, who must then remove the wager from the gaming area. After all players have acted, the first of the dealer's cards is turned up for all players to see and to use as a community card;

(6) After the first community card, the player may ask for the player's second bet back or may let all of the player's wagers remain in play. The players again act in order, beginning with the first player to the dealer's left and moving clockwise. If a player chooses to withdraw bet number two, the dealer moves the player's wager toward the player, who must then remove the wager from the gaming area. The player then tucks the player's cards under the (\$) bet. After all players have acted, the second of the dealer's cards is turned up for all players to see and to use as a second community card. Each player now has a complete five-card hand, using the three cards the player was dealt together with the two community cards;

(7) After the second community card has been turned face up, the dealer, beginning with the player to the dealer's right, turns each player's three cards face up. The dealer examines each player's hand, in combination with the two community cards, to determine if the player's hand is a winning or a losing hand. To qualify as a winning hand for a basic payout, a player's hand must contain a pair of tens or better. In order to also qualify for a bonus payout after having placed a bonus bet, the player's hand must contain certain card combinations as listed in subdivision (9) of this section. The 3 card bonus wager is based on the player's three cards (does not include the dealer's community cards) and will pay all winning bets according to the pay schedules listed in subdivision (9);

(8) During the pay and take sequence, all losing bets must be taken. The dealer resolves the players' hands, in turn, starting with the dealer's right and moving counter-clockwise around the table. All winning bets will be paid according to the pay schedules listed in subdivisions (9) and (10). The dealer will first resolve the players' let it ride wagers, the players' let it ride bonus wager if placed, and the players' 3 card bonus wager if placed, then the progressive wager if placed. The dealer continues the pay and take sequence with each player counter-clockwise around the table;

(9) Payouts:

Basic Game Payout Odds:

	Alternative A	Alternative B
(a) Royal flush pays	500 to 1	200 to 1;
(b) Straight flush pays	100 to 1	100 to 1;
(c) Four of a kind pays	25 to 1	40 to 1;
(d) Full house pays	15 to 1	15 to 1;
(e) Flush pays	10 to 1	9 to 1;
(f) Straight pays	5 to 1	5 to 1;
(g) Three of a kind pays	3 to 1	3 to 1;
(h) Two pairs pays	2 to 1	2 to 1;
(i) Pair of 10s or better pays (even money)	1 to 1	1 to 1.

Bonus bet payouts are made for each bonus bet placed by each player who receives certain card combinations according to the following payment schedule options:

	Alternative A	Alternative B	Alternative C	Alternative D
(a) Royal flush pays	10000 to 1	5000 to 1	5000 to 1	5000 to 1;
(b) Straight flush pays	2000 to 1	2000 to 1	1000 to 1	1000 to 1;
(c) Four of a kind pays	400 to 1	100 to 1	200 to 1	100 to 1;
(d) Full house pays	200 to 1	75 to 1	150 to 1	75 to 1;
(e) Flush pays	50 to 1	50 to 1	75 to 1	50 to 1;
(f) Straight pays	25 to 1	25 to 1	25 to 1	25 to 1;
(g) Three of a kind pays	5 to 1	8 to 1	10 to 1	8 to 1;
(h) Two pairs pays		4 to 1		5 to 1.

Three card bonus payouts are made for bonus bets placed by each player who receives certain three card combinations according to the following payment schedule options;

	Alternative A	Alternative B	Alternative C	Alternative D	Alternative E	Alternative F
(a) Mini Royal	--	--	--	50 to 1	50 to 1	50 to 1

Pays						
(b) Straight flush pays	40 to 1	40 to 1	40 to 1	40 to 1	40 to 1	40 to 1
(c) Three of a kind pays	30 to 1	30 to 1	30 to 1	30 to 1	30 to 1	30 to 1
(d) Straight Pays	6 to 1	5 to 1	6 to 1	6 to 1	5 to 1	6 to 1
(e) Flush pays	4 to 1	4 to 1	3 to 1	4 to 1	4 to 1	3 to 1
(f) Pair pays	1 to 1	25 to 1	25 to 1	25 to 1		

(10) If the let it ride progressive bet is offered and a player has bet on the optional progressive bet and the player's hand contains a Royal Flush the player wins. If the player's hand contains less than a Three of a Kind the player loses. The player is paid according to the following payment schedule, which shall be displayed on a table placard or video progressive sign:

Progressive Payment Schedule						
	LIRP-1		PMG-01		PMG-02	
			\$1 Wager amount		\$5 Wager amount	
Hand	Pays	Envy	Pays	Envy	Pays	Envy
Royal Flush	100%	\$1,000	100%	\$1,000	100%	\$5,000
Straight Flush	10%	\$300	10%	\$300	10%	\$1,500
4 of a Kind	300 for 1		300 for 1		300 for 1	
Full House	50 for 1		50 for 1		50 for 1	
Flush	40 for 1		40 for 1		40 for 1	
Straight	30 for 1		30 for 1		30 for 1	
3 of a kind	9 for 1		9 for 1		9 for 1	

The original progressive wager may not be returned to the player. The envy and seed amounts adjust up or down accordingly with changes made to the wager amount:

(a) Progressive winners:

- i. The percentage pays are paid from the progressive jackpot shown on the progressive meter;
- ii. Other hands are paid from the tray; these payments do not come off the meter;
- iii. If a player has a progressive winner, the dealer shall press the appropriate button on the keypad. If the button is pressed by accident, the dealer shall press the button again to turn it off;
- iv. If there is a progressive winner, the dealer shall contact a supervisor;
- v. If more than one progressive hand payable from the progressive meter hits at the same table during the same time, house procedures are then followed for paying the prize;

vi. After keying in the progressive winner, the meter may be reduced, depending on the winning hand. Keying in a 100% award will reset the meter to the seed amount, plus any reserve amount. The dealer will continue handling progressive awards in a counter-clockwise fashion; and;

vii. After the dealer reconciles all action, the dealer shall press the appropriate button on the keyboard. This action shall reset the system to begin the next hand and be logged into the progressive system; and

(b) An envy bonus shall be paid as follows:

i. A player making the progressive side wager also qualifies to win an envy payout. If another player at the table has a royal or straight flush, each player who made the progressive side bet wins the envy payout. A player that has a royal or straight flush and has not made the progressive side bet only receives the normal prize pay and does not receive any envy pay;

ii. If a player's hand triggers an envy payout, the dealer shall leave that player's hand face-up on the table until all payments are made; and

iii. The dealer shall pay any envy payout at the end of the round. If more than one player is involved in a qualifying envy payout, each player wins a multiple envy payout.

(11) After paying all winning wagers, the dealer must collect the cards of the winning players and the community cards and place the cards in the discard rack with the other discarded cards from the deck;

(12) The provisions of § 20:18:16:21 do not apply to let it ride or let it ride bonus poker with or without the 3 card bonus optional side bet; and

(13) The player's wager, when combined with the bonus, optional 3 card bonus, and progressive bet, may not exceed the posted table bet limit.

Source: 23 SDR 227, effective July 1, 1997; 28 SDR 154, effective April 17, 2002; 29 SDR 107, effective February 2, 2003; 32 SDR 128, effective January 30, 2006; 37 SDR 131, effective January 10, 2011; 38 SDR 213, effective June 18, 2012; 41 SDR 187, effective May 13, 2015; 43 SDR 131, effective April 17, 2017.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

Cross-Reference: Maximum amount of bets, SDCL 42-7B-14; Table stakes, § 20:18:16:21.

20:18:16:15.04. The play -- Phil 'em up poker. Phil 'em up poker is a casino table game. The game uses a standard deck of fifty-two cards plus one joker and may be played by up to seven players on a blackjack-size table. The players do not compete against the dealer; each player bets that the player will be dealt a hand that qualifies for a payoff. Phil 'em up poker must be played according to the following rules:

(1) Each player may only play one hand per game;

(2) The joker may only be used as an ace or to complete a straight flush;

(3) Each player places a wager before the game begins. The dealer then deals two cards face down to each player and three cards to the dealer which are community cards, two of which are exposed. After looking at the player's hand and the two up cards, the player may either stay in with the original wager or double up by putting up a second wager equal to the player's original wager. After each player has made a decision, the dealer turns over the down card, which is also a community card shared by each player.

(4) Each player now has a five-card poker hand, which is comprised of the two cards dealt to the player and the three cards in front of the dealer. The dealer then checks each player's hand to see if it qualifies for a payoff in accordance with the following payment schedule:

- (a) Five aces pays 500 to 1;
- (b) Royal flush without the joker pays 250 to 1;
- (c) Royal flush with joker pays 100 to 1;
- (d) Straight flush without the joker pays 50 to 1;
- (e) Straight flush with joker pays 25 to 1;
- (f) Four of a kind pays 20 to 1;
- (g) Full house pays 15 to 1;
- (h) Flush pays 9 to 1;
- (i) Straight pays 7 to 1;
- (j) Three of a kind pays 3 to 1;
- (k) Two pair pays 2 to 1; and
- (l) Pair of 10's or better pays 1 to 1 (even money);

(5) The player's wager is collected by the dealer if the player does not have at least a pair of 10's. If a player doubles up, both bets are paid at the same odds. For example, a player who initially bets \$5 and then doubles up would be paid $(\$5 + \$5) \times 25 = \$250$ when dealt a joker, and jack, nine, eight, and seven of spades for a straight flush with joker;

(6) The dealer shall riffle the deck five times or use the standard house shuffle for poker. The standard house shuffle consists of riffle, riffle, strip four times, and riffle. The cards must then be cut by the dealer, with the top half being placed on the cut card;

(7) The dealer places the first card into the discard rack. This is the first burn card; and

(8) The dealer starts from the dealers left side and continues around to the last player. The cards are to be dealt in the following manner:

(a) The dealer places one card in front of each player who has placed a bet in the betting spot. This card is placed face down;

(b) The dealer deals the dealer two cards face up which are community cards;

(c) The dealer then places another card in the discard rack. This is the second burn card;

(d) Then the dealer gives each player a second card. After each player receives a second card, the dealer deals the dealer a third community card face down. After all cards have been dealt, the dealer places the remaining cards into the discard rack without exposing the cards;

(e) The dealer starts from the dealer's left and continues to the right and asks each player if the player would like to double down;

(f) If a player does double down, the dealer shall ask the player to place the player's cards face down tucked under or to the right of each player's bet;

(g) The dealer then exposes the dealer's third community card;

(h) The dealer starts from the dealer's far right and exposes each player's two cards. The dealer then reads each player's hand to determine if the hand is a winning hand of 10's or better; and

(i) After reading each player's hand to see if the hand is a winning hand, the dealer either takes the losing bet or pays the winning hand according to the payout schedule listed above. Then the dealer shall place the player's cards in the discard rack. The dealer continues to do so until each hand is read.

The provisions of §§ 20:18:16:21 and 20:18:16:31.01 do not apply to Phil 'em up poker.

Source: 25 SDR 172, effective July 11, 1999; 29 SDR 147, effective May 6, 2003.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

Cross References:

Maximum amount of bets, SDCL 42-7B-4.

Table stakes, § 20:18:16:21.

Exposing hand, § 20:18:16:31.01.

20:18:16:15.05. The play -- Caribbean stud poker. Caribbean stud poker must be played according to the following rules:

(1) Caribbean stud poker may be played only on tables equipped with the necessary electronic equipment and signage, and are designated by the licensee for the play of Caribbean stud poker. A single deck of cards shall be used. Players do not play against other players. Each player may play only one hand following each shuffle of the deck;

(2) Each player must make an ante wager by placing the wager in the designated "ante" wagering area in front of the player's position;

(3) Each player may place an additional, optional wager by placing a wager in the designated coin sensor in front of the player's ante;

(4) The optional wager allows the player to participate in play for a progressive jackpot. A player wins a progressive jackpot award if the player has made the optional wager and holds a hand having a value of flush or better. Multiple Caribbean stud poker games may be linked together with a common progressive jackpot;

(5) After all players place their bets, the dealer will press the appropriate button on the keypad. The sensors will then light up, indicating a progressive wager. The dealer then follows house procedures for dealing the regular game;

(6) The terms "jackpot," "jackpot award," and "progressive jackpot" as used in this section shall apply to Caribbean stud poker only;

(7) A licensee may not discontinue offering a Caribbean stud poker jackpot until the highest progressive jackpot award has been won by a qualified player or players. If a licensee wishes to discontinue offering a progressive jackpot award, the licensee may petition the executive secretary for permission to either reduce the qualifications or criteria for winning the award, allowing the award to be paid more quickly, or to transfer the award liability to the jackpot offered by a different game. If a retail licensee intends to close its business while having a progressive jackpot award liability, the licensee may petition the executive secretary for permission to transfer the award liability, together with the award fund, to another retail licensee offering a comparable jackpot award;

(8) Any dealer tip delivered as a wager shall be placed on the "ante" only, and may not exceed the value of the player's ante. The dealer may not accept a tip wager on the "bet" area;

(9) Immediately prior to the commencement of play and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer deals five cards to each player and to the dealer, either face downward and one at a time in clockwise rotation among the players and the dealer, or in a five-card group dispensed by a mechanical shuffling device. The first player to receive a card, or cards, is the player to the left of the dealer; the dealer receives cards last. The fifth card dealt to the dealer only, which shall be the bottom card of the group of cards dispensed by the shuffling device, shall be dealt or turned face up. After all cards have been dealt, the dealer shall place the remaining cards into the discard rack without exposing the cards;

(10) An incorrect number of cards dealt to any player constitutes a dead hand for that player only. The player receiving the misdealt cards retains the player's ante and any bet. An incorrect number of cards dealt to the dealer constitutes a misdeal to the table and the players may play their hands for the purposes of the progressive jackpot only. If there are no progressive jackpot hands, all hands at the table are dead and the players retain their antes and bets;

(11) The player now picks up the player's cards and must decide either to fold (surrender ante) or to bet (bet equals two times ante). If the player:

(a) Folds, the ante wager is lost. In any player order, the dealer collects first the ante and then the cards from each player who has folded. As the cards are collected, the dealer shall spread the cards, count the cards, and then place the cards in the discard rack; or

(b) Plays the hand, the player must make an additional wager, equal to exactly twice the amount of the ante, by placing the wager in the "bet" area, behind the ante, in front of the player's position;

(12) The dealer turns over the dealer's remaining cards and creates the best possible poker hand. The dealer must have a hand consisting of an ace and a king, or better, to have a qualifying hand. If the hand is qualifying, the dealer moves the poker hand forward allowing the players to see the hand;

(13) If the dealer does not have a qualifying hand, the dealer shall announce "no hand" and immediately pay all the ante wagers at the rate of 1 to 1 (even money). At this point the dealer shall spread, count, and collect each player's cards individually. The cards of players who have a hand qualifying for a progressive jackpot payment shall be left on the table face up;

(14) When all player wagers have been made, the dealer shall compare the dealer's hand to the hand of each player who has made both "ante" and "bet" wagers. The higher poker hand between each player and the dealer wins;

(15) Tied hands result in a push and no action;

(16) The antes of winning hands are paid at the rate of 1 to 1 (even money);

(17) The bets of winning players' hands are paid according to the following payment schedule, which shall be displayed by table signage or on the table layout:

- (a) Royal flush pays 100 to 1;
- (b) Straight flush pays 50 to 1;
- (c) Four of a kind pays 20 to 1;
- (d) Full house pays 7 to 1;
- (e) Flush pays 5 to 1;
- (f) Straight pays 4 to 1;
- (g) Three of a kind pays 3 to 1;
- (h) Two pairs pays 2 to 1; and
- (i) One pair or less pays 1 to 1 (even money);

(18) The dealer compares hands, pays winning wagers, and takes losing wagers, beginning with the player to the dealer's right and moving counterclockwise around the table;

(19) After paying or taking each wager, the dealer must spread the player's cards, count the cards, and place the cards in the discard rack before the dealer moves on to the next player. The cards of players who have a hand qualifying for a progressive jackpot payment shall be left on the table face up;

(20) Progressive winners:

- (a) The percentage pays are paid from the progressive jackpot shown on the progressive meter;
- (b) Other hands are paid from the tray, these payments do not come off the meter;
- (c) If a player has a progressive winner, the dealer shall press the appropriate button on the keypad. If the button is pressed by accident, the dealer shall press the button again to turn it off;
- (d) If there is a progressive winner, the dealer shall contact a supervisor;
- (e) If more than one progressive hand payable from the progressive meter hits at the same table during the same time, house procedures are then followed for paying the prize;
- (f) After keying in the progressive winner, the meter may be reduced, depending on the winning hand. Keying in a 100% award will reset the meter to the seed amount, plus any reserve amount. The dealer will continue handling progressive awards in a counter-clockwise fashion;

(21) Player hands qualifying for progressive jackpot payments shall be paid according to the following payment schedule, which shall be displayed by table signage or on the table layout:

- (a) Royal flush pays 100 percent of the displayed progressive jackpot;
- (b) Straight flush pays either 10 percent of the displayed progressive jackpot or pays \$5,000 (licensee shall choose the payout option at the time the game is put into play);
- (c) Four of a kind pays \$500;
- (d) Full house pays \$100; and
- (e) Flush pays \$50; and
- (f) Progressive payment schedule:

Progressive Payment Schedule				
	PMG-01		PMG-02	
	\$1 Wager amount		\$5 Wager amount	
Hand	Pays	Envy	Pays	Envy
Royal Flush	100%	\$1,000	100%	\$5,000
Straight Flush	10%	\$300	10%	\$1,500
4 of a Kind	300 for 1		300 for 1	
Full House	50 for 1		50 for 1	
Flush	40 for 1		40 for 1	
Straight	30 for 1		30 for 1	
3 of a kind	9 for 1		9 for 1	

The original wager shall not be returned to the player. The envy and seed amounts adjust up or down accordingly with changes made to the wager amount; and

- (g) An envy bonus shall be paid as follows:

i. A player making the progressive side wager also qualifies to win an envy payout. If another player at the table has a royal or straight flush, each player who made the progressive side bet wins the envy payout. A player that has a royal or straight flush and has not made the progressive side bet only receives the normal prize pay and does not receive any envy pay;

ii. If a player's hand triggers an envy payout, the dealer shall leave that player's hand face-up on the table until all payments are made; and

iii. The dealer shall pay any envy payout at the end of the round. If more than one player is involved in a qualifying envy payout, each player wins a multiple envy payout.

(22) After the dealer reconciles all action, the dealer shall press the appropriate button on the keypad. This action shall reset the system to begin the next hand and be logged into the progressive system.

The provisions of § 20:18:16:21 do not apply to Caribbean stud poker.

The player's wager, when combined with the bonus wager, may not exceed the \$100 maximum bet limit.

Source: 28 SDR 24, effective August 28, 2001; 29 SDR 107, effective February 2, 2003; 32 SDR 128, effective January 30, 2006; 37 SDR 131, effective January 10, 2011; 41 SDR 187, effective May 13, 2015.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

Cross References: Maximum amount of bets, SDCL 42-7B-14; Table stakes, § 20:18:16:21.

20:18:16:15.06. The play -- Bonus 6 poker. Bonus 6 must be played according to the following rules:

(1) Bonus 6 may be played only on tables designated by the licensee for the play of Bonus 6 poker. A single deck of fifty-two cards shall be used. Each player may play one hand following each shuffle of the deck. Players do not play against the dealer or against any other player, but win if their hands qualify for payment according to the payment schedule which shall be displayed on table signage or as a part of the table layout. Players may not discuss or expose their hands during play;

(2) Before receiving any cards, each player must place a wager in the designated "ante" wagering area in front of the player's position. The amount of each ante shall be within the table limit range to be determined by the retail licensee, and shall be posted at the table. If the retail licensee does not require a minimum wager, no table signage is required;

(3) At the direction of the retail licensee, a player who wishes to tip the dealer by making a bet for the dealer shall place the tip next to the player's ante wager. At the discretion of the retail licensee, a player may be permitted, but is not required, to place an additional tip bet for the dealer each time the player makes an additional wager. A tip bet is not required to be in any minimum

amount, except that the second and third tip bets, if any, shall be in amounts equal to the amount of the tip bet on the ante. Dealer tip bets placed on winning hands shall be paid at the same odds as players' bets on winning hands. No insurance fee or bonus card fee is required or accepted on behalf of the dealer as part of the tip;

(4) At the same time that the ante wager is placed, each player may pay an optional insurance fee by placing one-half the amount of the ante wager in the designated "insurance" area in front of the player's position. Payment of the insurance fee shall give the player the right to exercise the option to receive a bonus sixth card later in the game;

(5) Immediately prior to play, the dealer shall shuffle and cut the cards, and shall burn the top card. The dealer shall deal two cards to each player, face down, one card at a time in clockwise rotation around the table, beginning with the player to the left of the dealer. When the final player has received the player's second card, a single card shall be dealt to the dealer's position, face down, and serve as a community card for all players which the dealer shall then turn face up;

(6) An incorrect number of cards dealt to any player constitutes a misdeal with respect to that player only, voiding the player's wager(s) and insurance fee. An exposed card does not constitute a misdeal. The dealer shall turn the card over and continue to deal. If a player's card falls from the table, that player's hand is dead and the player's wager(s) and insurance fee is void;

(7) After each player has received and viewed the player's first two cards, the player may fold or may play the hand. To continue play, the player must place an additional bet equal to the player's ante bet. To fold, the player shall discard the player's cards in front of the player's position. The dealer collects the cards, the ante wagers, the tip bets (if any), and the insurance fees (if any) from the players who have folded;

(8) When each wager has been placed, the dealer shall then deal a third card to each player. After each player has received and viewed the player's third card, the player may fold or may play the hand. To continue play, the player must place an additional bet equal to the ante bet. To fold, the player shall discard the player's cards in front of the player's position. The dealer collects the cards, the wagers, the tip bets, and the insurance fees (if any), from the players who have folded;

(9) When each wager has been placed, the dealer shall then deal a fourth card to each player. After each player has received and viewed the player's fourth card, the player shall take one of these actions:

(a) A player holding a winning hand (a hand qualifying for payment according to the payment schedule) shall tuck the player's cards under the final wager. The dealer shall collect the insurance fee, if any. A player holding a winning hand may not attempt to improve the hand by receiving a sixth card, but must play the five-card hand;

(b) A player who does not have a winning hand and who did not pay the insurance fee shall discard the player's hand in front of the player's position. The dealer shall collect the cards, the wagers, and the tip bets (if any) from the players who have folded.

(c) A player who does not have a winning hand, and who paid the insurance fee but does not wish to receive a sixth card, shall discard the player's hand in front of the player's position. The dealer shall collect the cards, the wagers, the tip bets, and the insurance fees from the players who have folded; or

(d) A player who does not have a winning hand, but who paid the insurance fee and wishes to receive a sixth card, shall pay a bonus card fee equal to the amount of the ante. The dealer shall instruct each player to expose the player's hand, beginning with the player to the dealer's left. The dealer shall verify that the hand is not a winning hand, and deal a fifth card, face down, to the player. The dealer shall then collect the insurance and Bonus 6 fees from the player, and continue in like manner with each remaining player at the table. If the dealer determines that a player holds a winning five-card hand, including the community card, a fifth card may not be dealt to the player, and the dealer shall tuck the player's hand under the ante wager. The dealer shall collect the insurance fee from the player and shall push the Bonus 6 fee back to the player; and

(10) The dealer shall expose each player's final card, beginning with the player to the right of the dealer, and working counterclockwise around the table. For each player, either the cards and wagers on nonwinning hands shall be collected, or the best five-card winning poker hands formed from six cards (the five cards dealt to the player and the community card) shall be identified and paid.

The provisions of § 20:18:16:21 do not apply to Bonus 6 poker.

Source: 28 SDR 24, effective August 28, 2001; 32 SDR 128, effective January 30, 2006.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

Cross-References: Maximum amount of bets, SDCL 42-7B-14; Table stakes, § 20:18:16:21.

20:18:16:15.07. The play -- Twisted Pineapple poker. Twisted Pineapple poker must be played according to the following rules:

(1) Twisted Pineapple poker may be played only on tables designated by the licensee for the play of Twisted Pineapple poker. A single deck of cards must be used. Players do not play against the dealer, but have the option to play against other players. Each player may play only one hand following each shuffle of the deck. Winning hands are determined and paid according to the payment schedule, which must be displayed as part of the table layout;

(2) Each player must make a first bet. An ante bet must also be made at one-half the cost of the first bet, but not to exceed five dollars. Example: If first bet is \$5.00, then ante bet must be \$2.50. If first bet is \$20.00, then ante bet must be \$5.00. Where offered, each player may place optional bet to play against other players. The monetary amount for the optional bet shall be set forth by each individual gaming establishment;

(3) Any dealer tip delivered as a wager may be placed on the first bet. If a player chooses to place a second bet, a dealer tip may also be made at that time. The same applies to the river bet.

Although a dealer tip is placed on the first bet, any subsequent tips bets for the dealer on that round of play is not required to complete the player's hand;

(4) Immediately before the start of play and after each round of play has been completed, the dealer must shuffle the cards. Following the shuffle and cut, the dealer deals three cards to each player and two cards to the dealer, either face downward and one at a time in clockwise rotation among the players and the dealer (the dealer does not receive a card in the third rotation) or in a three-card group dispensed by a mechanical shuffling device. The first player to receive cards is the player to the left of the dealer; the dealer receives cards last. If a mechanical shuffling device which dispenses cards in three-card groups has been used, the dealer plays the top two cards of the group dealt to the dealer. The bottom card of the three-card group is not played and is placed in the discard rack without being viewed. The dealer's remaining two cards are used as community cards. After all cards have been dealt, the dealer maintains possession of the remainder of the deck;

(5) An incorrect number of cards dealt to a player is always a misdeal. An exposed card in a player's hand is not considered a misdeal. An exposed community card in front of the dealer constitutes a misdeal;

(6) Where offered, after a player has chosen to place the optional bet, dealer shall start from player to dealer's left and collect optional bet and replace the bet with a Twisted Pineapple marker to indicate that the player is eligible to play for that pot. All bets collected shall be placed in an area indicated on the table layout;

(7) After a player has looked at the player's three cards, the player must discard one of the three cards that they feel may not help their hand by placing the unwanted card under the ante bet;

(8) The dealer shall go to each player, from left to right, and collect all ante bets as well as all cards that are discarded and place the cards in the discard rack. After all players have acted, the first of the dealer's cards is turned up for all players to see and to use as a community card;

(9) After the first community card, the player may place a second bet to continue with their hand, or fold, and forfeit all bets to the house. All wagers forfeited must be immediately collected by the dealer and the player's cards must be placed in the discard rack;

(10) After all players have chosen to continue with their hand by placing a second bet, the second of the dealer's cards is turned up for all players to see and use as a community card;

(11) After the second community card, the player may place a river bet to continue with their hand, or fold, and forfeit all bets to the house. All wagers forfeited must be immediately collected by the dealer, and the player's cards must be placed in the discard rack;

(12) Once all players have chosen to continue with their hand by placing a river bet, the dealer shall take a card from the top of the deck and place it in the discard rack as the burn card. Each player shall receive one card each, face downward. The first player to receive a card is the player to the left of the dealer. After all cards have been dealt, the dealer places the remaining cards into the discard rack without exposing the cards;

(13) All poker hands are now complete. Dealer must expose each hand individually, from left to right, and pay all qualifying hands according to the payment schedule; and

(14) Only hands that are bet against other players shall be left exposed and may not be collected and discarded. Although a hand may not qualify to be paid by the house, it may still be the highest hand to win the optional pot bets. Once the highest hand is determined of those betting the optional pot, the dealer may proceed to push the pot to the winner and discard all hands and start a new game.

The provisions of § 20:18:16:21 do not apply to Twisted Pineapple poker.

Basic Game Payout Odds:

Alternative A	
(a) Royal Flush pays	500 to 1
(b) Straight Flush pays	100 to 1
(c) Four of a Kind pays	25 to 1
(d) Full House pays	15 to 1
(e) Flush pays	10 to 1
(f) Straight pays	5 to 1
(g) Three of a Kind pays	3 to 1
(h) Two Pair pays	2 to 1
(i) Pair of sevens or better pays	1 to 1
Alternative B	
(a) Royal Flush pays	200 to 1
(b) Straight Flush pays	50 to 1
(c) Four of a Kind pays	20 to 1
(d) Full house pays	10 to 1
(e) Flush pays	7 to 1
(f) Straight pays	4 to 1
(g) Three of a Kind pays	3 to 1
(h) Two Pair pays	2 to 1
(i) Pair of sevens or better pays	1 to 1

Source: 29 SDR 147, effective May 6, 2003; 32 SDR 128, effective January 30, 2006.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

Cross-References: Maximum amount of bets, SDCL 42-7B-4; Table stakes, § 20:18:16:21.

20:18:16:15.08. The play -- Texas Shootout poker, a variation of Texas Hold 'em poker.

Texas Shootout poker is played at a blackjack-style table designated by the licensee for the play of Texas Shootout poker. Texas Shootout poker shall be played according to the following rules:

(1) Six standard decks of 52 cards each, dealt from a dealing shoe, shall be used;

(2) Each player plays against the dealer. Players do not play against other players;

(3) The dealer begins by shuffling the cards. New decks shall be inspected in accordance with standard inspection procedures. A player is selected to insert a blank "cut card" into the shuffled decks and the dealer cuts the decks. The dealer then inserts the cut card approximately one deck from the last card and places the cards into the shoe. The dealer deals the first card out of the shoe face-down and places it directly into the discard receptacle. This is known as "burning a card";

(4) Players place the required primary wager within the designated wagering area in front of the player's position. At the discretion of the retail licensee, players may play more than one hand during a round of play;

(5) Players may place an additional, optional "Shootout Bonus" wager by placing their wager in the designated wagering area labeled "Shootout Bonus" immediately to the right of each primary wagering area. The Shootout Bonus wager entitles the player to receive the payouts listed on the Shootout Bonus payable;

(6) In the event a player's Shootout Bonus wager is at least five dollars, their hand qualifies for the "Envy Bonus" payable. For any Shootout Bonus wager that is at least five dollars, the dealer places an "Envy Bonus" lammer to the player's immediate right of their Shootout Bonus wager signifying that the player's hand qualifies for the Envy Bonus payable;

(7) After all wagers have been placed, the dealer deals four cards, face down, sequentially to each player's position and to himself or herself in a clockwise rotation beginning with the player on the dealer's immediate left;

(8) Each player determines which two cards to play. The two cards selected for play are placed face-up on the table layout directly in back of, (the player's side), the player's primary wager. The two discarded cards are placed face-down in front of, (the dealer's side), the player's primary wager;

(9) In the event a player receives "two-pair" or "four-of-a kind" on the first four cards, the player may optionally "split" the initial four cards into two, two-card hands. A player who is desirous of splitting the player's hand, places all four cards face-up into two distinct two-card hands in front of the player's primary wager. The player matches the original primary wager. If the player originally placed the Shootout Bonus wager, the player may optionally place an additional Shootout Bonus wager for the second hand up to an amount equal to the original Shootout Bonus wager;

(10) After all players have placed their discarded cards on the table, the dealer confirms that each player has discarded two cards, (unless the player's initial hand was split), and beginning with the player on the dealer's immediate right, collects each of the discarded cards in a counterclockwise rotation. As cards are collected by the dealer, the cards are deemed "mucked" and considered "dead." Mucked cards may not be replayed or retrieved. The dealer places the discarded cards face-down into the discard receptacle;

(11) The dealer exposes dealer's four-card hand face-up on the table layout directly in front of the dealer. The dealer selects two cards to play and two cards to discard according to a

predetermined "house-way" strategy. The dealer must play by the "house-ways" which are available for inspection by any player. In the event a player determines the dealer's hand is not set according to "house-ways," the player may challenge the dealer's selection. Either the dealer or a table game supervisor must reset the house hand to conform to the "house-way" strategy;

(12) Next the dealer deals five cards face-down in the center of the table. These five cards are known as the "flop" and are used as common cards to form both the dealer's and each player's hand. The five cards are to be placed in a horizontal row with spacing between the cards. After the dealer confirms that exactly five cards have been dealt, the dealer scoops up the five cards and flips the cards over face-up, also in a horizontal row. The dealer reconfigures the order of the five cards so that the highest value combination is displayed on the dealer's left and descending in value to the right;

(13) The dealer and each player will use any combination of a player's two cards and the five cards on the flop to make the best possible five-card poker hand;

(14) The ranking of hands from best to worst is as follows:

- (a) Five-of-a-kind, Suited;
- (b) Straight Flush, (A-K-Q-J-10 is the highest and A-2-3-4-5 is the lowest straight flush);
- (c) Five-of-a-Kind;
- (d) Four-of-a-Kind;
- (e) Full House;
- (f) Flush;
- (g) Straight, (A-K-Q-J-10 is the highest and A-2-3-4-5 is the lowest straight);
- (h) Three-of-a-Kind;
- (i) Two Pair;
- (j) One Pair; and
- (k) High Card;

(15) If a player has a higher ranking than the dealer, that player's hand is declared a winner. If a player has a lower hand, or one that is equal to the dealer, it is declared a loser. Beginning with the player on the dealer's immediate right and continuing in a counterclockwise rotation, the dealer shall determine whether each player's hand is a winner or loser and takes or pays each player's wager. Winning wagers are paid one-to-one odds, also referred to as "even money";

(16) If a player originally made the optional Shootout Bonus wager, the dealer also determines whether or not the player's hand qualifies to receive the bonus payment. If it does, the dealer pays the player according to the odds posted at the table as shown below. If a player's hand does not qualify, the dealer collects the Shootout Bonus wager. The Shootout Bonus wager has no bearing on the primary wager and vice-versa. A player can win on one and lose on the other. The dealer takes or pays the player's primary wager first, then the player's Shootout Bonus wager, if applicable:

Ranking	Paytable A	Paytable B
5 of a Kind, Suited	5,000 to 1	1,000 to 1
Royal Flush	500 to 1	200 to 1
Straight Flush	100 to 1	75 to 1
5 of a Kind	50 to 1	40 to 1
4 of a Kind	5 to 1	7 to 1
Full House	3 to 1	3 to 1
Flush	2 to 1	2 to 1
Straight	1 to 1	1 to 1

(17) In the event a player's Shootout Bonus wager is at least five dollars, the player also qualifies for the Envy Bonus. The Envy Bonus is paid to a player if any hand, other than the hand corresponding to the player's Shootout Bonus wager or the dealer's hand, contains one of the following predetermined arrangement of cards:

Ranking	Pays
5 of a Kind, Suited	\$1,000
Royal Flush	\$250
Straight Flush	\$50
5 of a Kind	\$10

(18) After all wagers have been settled, the dealer collects all of the player's cards in order beginning on the dealer's immediate left and continuing in a counterclockwise rotation and places the cards face-down into the discard receptacle. Then the dealer collects the flop and each player's two cards and places the cards face-down into the discard receptacle so that the player's two cards are on top of the flopped cards; and

(19) The next round of play then begins. Play continues in this fashion until the cut card is reached, at which time the dealer shall only use the remaining cards to complete the round.

The provisions of § 20:18:16:21 do not apply to Texas Shootout Poker, a variation of Texas Hold 'em poker.

Source: 29 SDR 147, effective May 6, 2003; 32 SDR 128, effective January 30, 2006.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

Cross-References: Maximum amount of bets, SDCL 42-7B-4; Table stakes, § 20:18:16:21.

20:18:16:15.09. The play -- Silverado Stud poker. Silverado Stud must be played according to the following rules:

(1) Silverado Stud must only be played on tables designated by the licensee for the play of Silverado Stud poker. A single deck of cards shall be used. Players do not play against the dealer or against other players. Players may play only one hand following each shuffle of the deck. Winning

hands are determined and paid according to the payment schedule that shall be displayed as part of the table layout;

(2) Players shall make an equal bet on both the five-card and three-card hands on the designated five-card bet and three-card bet wagering areas in front of the player's position. On tables marked "Silverado Stud Bonus," players may place an optional four-card bet on the designated areas. The bet wins if the player's initial four-card hand matches any of the four-card poker hands according to the payout schedules. After each player has had the opportunity to place the wager, the dealer insures that all bets are in place and then announces "No more bets";

(3) Any dealer tip delivered as a wager shall be placed as a single wager above the player's original five-card hand or the player's original three-card hand or both. The dealer's tip shall be settled at the end of the play of the hand at the odds listed in accordance with the payment schedule;

(4) Immediately before the initial start of play and after each round of play has been completed, the dealer must shuffle the cards. Following shuffle and cut, the dealer deals four cards to each player and two cards to the dealer -- face downward and one at a time in clockwise rotation among the players, after the players have received their four cards the dealer will receive two cards face downward. The first player to receive cards is the player to the left of the dealer, the dealer receives cards last. The dealer's two cards are used as community cards. After all cards have been dealt, the dealer places the remaining cards off to the right-hand side of the dealer, out of the way of all action taking place on the table, without exposing the cards;

(5) After a player has looked at the player's four cards, the player must decide which three of the four cards shall be used as the player's five-card hand. The remaining one card of the four shall be used as the first card of the player's three-card hand. The dealer will examine each and every player's cards to make sure that the cards are tucked under the appropriate bet. EXCEPTION to rule (5): Exception 1. If a player is dealt four equal cards, referred to as (four-of-a-kind-dealt), then that player has the option to lay that hand down at this time only, and will be paid on the five card wager only according to the payout schedule; and the three-card wager will be a push. Exception 2. If a player is dealt two pair in the first four cards, the player may lay that hand down and be paid on the five-card wager only according to the pay table and the three-card wager will be a push. If the player chooses not to lay down the hand, the player will then split the hand as is the protocol for all other hands;

(6) After the first community card, the players now have the opportunity to place an additional "raise" bet. The players can look at their five-card hand ONLY to determine if they want to place their "raise" bet. This "raise" bet shall be placed on the designated five-card raise wagering area. After all players have acted, the second of the dealer's cards is turned up for all players to see and is used as a second community card. Each player now has a complete five-card hand and three-card hand, using the four cards (three going to the five-card hand and one going to the three-card hand) the player was dealt together with the two community cards;

(7) After the second community card has been turned face up, the dealer, beginning with the player to the dealer's right, turns each player's five-card hand cards face up and then turns that player's three-card hand cards face up. The dealer examines each player's hands, in combination

with the two community cards, to determine if the player's hands are a winning or a losing hand. To qualify as a winning hand for a basic payout for Silverado Stud Poker Version A, a player's hand must contain a pair of jacks or better for the five-card hand and any pair for the three-card hand. To qualify as a winning hand for a basic payout for Silverado Stud Poker Version B, a player's hand must contain a minimum of a pair of tens or jacks for the five-card hand and any pair for the three-card hand;

(8) All losing wagers must be immediately collected by the dealer, and all losing hands must be collected and placed on top of the rest of the deck to the right-hand side of the dealer; and

(9) The dealer will determine whether or not each player has a winning or losing hand. The dealer pays all winning wagers or takes all losing wagers one at a time beginning with the player farthest to the right of the dealer and continuing counterclockwise around the table. The four-card optional bet must also be taken or paid according to the payout schedule marked "4-Card Hand." Determination of winning or losing hand is based on the player's original four cards dealt to the player and paid according to the following payment schedule. All winning hands are paid in accordance with the payout odds listed on the table layout or as displayed at the table in accordance with the following payment schedule:

Silverado Stud Poker Version A (non-two-pair dealt) Payout Schedules:

	Version A	Version B	Version C
Five-Card Hand			
Royal Flush	200:1	200:1	500:1
Straight Flush	100:1	100:1	100:1
Four of a Kind Dealt	50:1	50:1	50:1
Four of a Kind	15:1	20:1	20:1
Full House	9:1	9:1	9:1
Flush	7:1	7:1	7:1
Straight	5:1	5:1	5:1
Three of a Kind	3:1	3:1	3:1
Two Pair	2:1	2:1	2:1
Pair of Jacks or Better	1:1	1:1	1:1
Three-Card Hand			
Straight Flush	15:1	15:1	15:1
Three of a Kind	8:1	10:1	8:1
Straight	4:1	4:1	4:1
Flush	3:1	3:1	3:1
Any Pair	1:1	1:1	1:1

Silverado Stud Poker Version A² (two-pair dealt) Payout Schedules:

	Version A	Version B	Version C		Version J	Version A ²
Five-Card Hand						
Royal Flush	200:1	200:1	500:1	Royal Flush	500:1	200:1
Straight Flush	100:1	100:1	100:1	Straight Flush	100:1	100:1
Four of a Kind Dealt	50:1	50:1	50:1	Four of a Kind Dealt	50:1	50:1
Four of a Kind	15:1	20:1	20:1	Four of a Kind	20:1	15:1
Full House	9:1	9:1	9:1	Full House	10:1	9:1
Flush	7:1	7:1	7:1	Flush	7:1	7:1
Straight	5:1	5:1	5:1	Straight	5:1	5:1
Three of a Kind	3:1	3:1	3:1	Three of a Kind	3:1	3:1
Two Pair	2:1	2:1	2:1	Two Pair	2:1	2:1
Two Pair Dealt	1:1	1:1	1:1	Two Pair Dealt	2:1	1:1
Pair of Jacks or Better	1:1	1:1	1:1	Pair of Jacks or Better	1:1	1:1
Three-Card Hand						
				Royal Flush	30:1	30:1
Straight Flush	15:1	15:1	15:1	Straight Flush	15:1	15:1
Three of a Kind	8:1	10:1	8:1	Three of a Kind	10:1	8:1
Straight	4:1	4:1	4:1	Straight	4:1	4:1
Flush	3:1	3:1	3:1	Flush	3:1	3:1
Any Pair	1:1	1:1	1:1	Any Pair	1:1	1:1

Silverado Stud Poker Version B (two-pair dealt) Payout Schedules:

	Version Q	Version R	Version S ⁵	Version S ²	Version U	Version V
Five-Card Hand						
Royal Flush	500:1	500:1	500:1	200:1	200:1	200:1
Straight Flush	100:1	100:1	100:1	100:1	100:1	100:1
Four of a Kind Dealt	40:1	40:1	50:1	50:1	50:1	50:1
Four of a Kind	15:1	15:1	20:1	20:1	20:1	20:1
Full House	9:1	9:1	9:1	9:1	9:1	9:1
Flush	7:1	7:1	7:1	7:1	7:1	7:1
Straight	5:1	6:1	5:1	5:1	5:1	6:1
Three of a Kind	3:1	3:1	3:1	3:1	3:1	3:1
Two Pair Dealt	3:1	2:1	3:1	3:1	3:1	3:1
Two Pair	2:1	2:1	2:1	2:1	2:1	2:1
Pair of Queens or Better	1:1	1:1	1:1	1:1	1:1	1:1
Pair of Tens or Jacks	Push	Push	Push	Push	Push	Push
Three-Card Hand						
Royal Flush	30:1	30:1	30:1	30:1	30:1	30:1
Straight Flush	15:1	15:1	15:1	15:1	15:1	15:1
Three of a Kind	8:1	8:1	8:1	8:1	10:1	10:1

Straight	5:1	5:1	5:1	5:1	4:1	4:1
Flush	3:1	3:1	3:1	3:1	3:1	3:1
Any Pair	1:1	1:1	1:1	1:1	1:1	1:1

Silverado Stud Bonus:

Four-Card Hand	
Hand Type	Pay (to 1)
Four of a Kind	200
Straight Flush	50
Three of a Kind	10
Flush	6
Straight	4
Two pair	3
One pair	1
Less than 10-high	Push

Source: 30 SDR 171, effective May 10, 2004; 31 SDR 165, effective May 10, 2005; 32 SDR 128, effective January 30, 2006; 32 SDR 188, effective May 14, 2006; 33 SDR 125, effective January 29, 2007; 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-18.

Cross-References:

Maximum amount of bets, SDCL 42-7B-4.

Table stakes, § 20:18:16:21.

Exposing hand, § 20:18:16:31.01.

20:18:16:15.10. The play -- Four-Card poker. Four-card poker must be played according to the following rules:

(1) Four-card poker may only be played on tables designated by the licensee for the play of Four-card poker. A single deck of cards must be used. The rank of hands in Four-card poker, from highest to lowest is four of a kind, straight flush, three of a kind, flush, straight, two pair, and pair. The rank of hands in the optional progressive side wager, from highest to lowest is royal flush, straight flush, four of a kind, full house, flush, straight, and three of a kind;

(2) There are three ways to play: playing against the dealer-ante wager; playing against the pay table; or, playing both;

(3) Each player may make one or more wagers as follows in accordance with posted table limits:

(a) To play against the dealer by placing an ante wager on the ante spot;

(b) To play the hand value against the pay table by placing an aces up wager on the aces up spot;

(c) To play against the dealer and the pay table by placing the ante wager on the ante spot and an aces up wager on the aces up spot;

(d) To play the hand value against the pay table by placing a progressive wager on the sensor in front of the player's position; or

(e) At the casino's discretion, a player may place wagers at more than one betting position during a round of play;

(4) After all players place their bets, the dealer shall press the appropriate button on the keypad. The sensors shall lock in the bet and light up, indicating a progressive wager. The dealer shall remove all progressive bets from the table. The optional progressive wager shall be collected prior to cards being dealt. The sensor shall stay lit during the round of play if a progressive wager was made and winning hands shall be paid at the completion of the round of play;

(5) Each player receives five cards face down. Cards are delivered to the player from the dealer's left to right rotation. The dealer should give himself or herself five cards face down and one card face up;

(6) After examining their cards, players have the option to either make a play wager in the amount between one and three times the player's ante wager, or forfeit the ante wager by folding. If the player folds with a pair of aces or better, the player forfeits the ante, but the aces up bet wins;

(7) After each player has either placed a play wager on the play spot or folded, the dealer collects all forfeited wagers and cards. If the four-card poker progressive wager is offered and a player has bet on the optional progressive wager, the player's cards shall be placed face down on or near the progressive sensor when folding;

(8) The dealer shall arrange his or her hand from highest card value to the lowest, and announce his or her best four-card hand. The two cards the dealer doesn't use in his or her hand should be positioned in the "live" hand;

(9) The dealer shall reconcile the hands of the players who have not folded. Starting with the player on the dealer's right, bring the player's hand into the "work area" between the dealer's hand and the aces up wager and reveal the player's cards. The dealer shall pay or take from the back forwards, reconciling the play wager first, the ante wager second, the aces up wager third, and the optional progressive wager last;

(10) Playing against the dealer-ante wager. The object when playing against the dealer is to beat the dealer's four-card poker hand with your own four-card poker hand. The dealer always qualifies. Players place an ante wager. After looking at their hand, players may fold, or, if the player believes that the player's hand is high enough to beat the dealer's hand, the player shall make the play wager. This wager must be from one to three times the ante wager. The player wins ties. Certain

player hands receive an automatic bonus. These payouts are made against the ante wager according to odds set forth on the four-card poker layout and posted table limits;

(11) Playing versus pay table - aces up. The object of betting aces up wager is to receive a pair of aces or better. If the player's hand contains a pair of aces or better, the player wins the aces up wager. Players receive aces up payout regardless of the dealer's hand;

(12) Playing both - aces up and ante. If a player bets both the aces up and the ante (including play), the player is playing against two separate pay tables with two different criteria for payouts. In playing the ante wager, the object is to get a four-card poker hand that beats the dealer's best four-card hand. In playing the aces up wager, the object is to receive a pair of aces or better. The ante and aces up wagers do not have to be the same amount. Players receive the aces up payouts regardless of the dealer's hand. Players can wager anywhere from the table minimum to the maximum allowed bet on either or both the ante wager or the aces up wager. However, the play wager must be from one to three times the ante;

(13) Playing against pay table -- progressive. The object of betting the progressive wager is to receive a three of a kind or better based on all five cards dealt to the player, not just the player's four card hand that is in play. If the player's hand contains a three of a kind or better, the player wins the progressive wager as detailed in the pay schedule listed in subdivision (15);

(14) Incorrect number of cards in player's or dealer's hands. If any player or dealer is dealt an incorrect number of cards, all hands are void and the cards reshuffled;

(15) The retail licensee may offer the game using any one of the following seven pairs of pay schedules, which shall be displayed on a table layout or on signage at the table:

	FCP-01		FCP-02		FCP-03	
	Automatic Bonus	Aces Up	Automatic Bonus	Aces Up	Automatic Bonus	Aces Up
Four of a Kind	25 to 1	50 to 1	25 to 1	50 to 1	25 to 1	50 to 1
Straight Flush	20 to 1	40 to 1	20 to 1	40 to 1	20 to 1	30 to 1
Three of a Kind	2 to 1	9 to 1	2 to 1	7 to 1	2 to 1	9 to 1
Flush		6 to 1		6 to 1		6 to 1
Straight		4 to 1		5 to 1		4 to 1
Two Pair		2 to 1		2 to 1		2 to 1
Pair of Aces		1 to 1		1 to 1		1 to 1

	FCP-04		FCP-05		FCP-06	
	Automatic Bonus	Aces Up	Automatic Bonus	Aces Up	Automatic Bonus	Aces Up
Four of a Kind	25 to 1	50 to 1	25 to 1	50 to 1	25 to 1	50 to 1
Straight Flush	20 to 1	30 to 1	20 to 1	40 to 1	20 to 1	40 to 1
Three of a Kind	2 to 1	7 to 1	2 to 1	8 to 1	2 to 1	8 to 1
Flush		6 to 1		5 to 1		6 to 1
Straight		5 to 1		4 to 1		4 to 1

Two Pair		2 to 1		3 to 1		2 to 1
Pair of Aces		1 to 1		1 to 1		1 to 1

	FCP-07	
	Automatic Bonus	Aces Up
Four of a Kind	25 to 1	50 to 1
Straight Flush	20 to 1	40 to 1
Three of a Kind	2 to 1	7 to 1
Flush		5 to 1
Straight		4 to 1
Two Pair		3 to 1
Pair of Aces		1 to 1

and

(16) If the four card poker progressive bet is offered and a player has bet on the optional progressive wager and the player's hand contains a royal flush the player wins, regardless of the dealer's hand. If the player's hand contains less than a three of a kind the player loses. The player is paid according to the following payment schedule, which shall be displayed on a table placard or video progressive sign:

	FCPP-1		FCCP-2		FCCP-3	
Hand	Pays	Envy	Pays	Envy	Pays [^]	Envy
Four Aces	100%	\$100	100%	\$100	100%	\$100
Four of a Kind	300 for 1	\$10	300 for 1	\$25	300 for 1	\$25
Straight Flush	100 for 1	\$5	100 for 1	–	100 for 1	–
Three of a Kind	9 for 1	–	15 for 1	–	15 for 1	–
[^] Same payable as "Pays 2" but with 5% reserve						

Progressive Payment Schedule				
	PMG-01		PMG-02	
	\$1 Wager amount		\$5 Wager amount	
Hand	Pays	Envy	Pays	Envy
Royal Flush	100%	\$1,000	100%	\$5,000
Straight Flush	10%	\$300	10%	\$1,500
4 of a Kind	300 for 1		300 for 1	
Full House	50 for 1		50 for 1	
Flush	40 for 1		40 for 1	
Straight	30 for 1		30 for 1	
Three of a Kind	9 for 1		9 for 1	

The original progressive wager may not be returned to the player. The envy and seed amounts adjust up or down accordingly with changes made to the wager amount;

(a) Progressive winners:

- i. The percentage pays are paid from the progressive jackpot shown on the progressive meter;
- ii. Other hands are paid from the tray; these payments do not come off the meter;
- iii. If a player has a progressive winner, the dealer shall press the appropriate button on the keypad. If the button is pressed by accident, the dealer shall press the button again to turn it off;
- iv. If there is a progressive winner, the dealer shall contact a supervisor; the supervisor will verify the hands, if any, which qualify for a progressive jackpot payout;
- v. If more than one progressive hand payable from the progressive meter hits at the same table during the same time, house procedures are then followed for paying the prize;
- vi. After keying in the progressive winner, the meter may be reduced, depending on the winning hand. Keying a 100% award will reset the meter to the seed amount, plus any reserve amount. The dealer will continue handling progressive awards in a counter-clockwise fashion;
- vii. After the dealer reconciles all action, the dealer shall press the appropriate button on the keyboard. This action shall reset the system to begin the next hand; and
- viii. The prize shall be logged into game manager. If the progressive pay needs to be backed out at this point, the award shall be manually backed out using the game manager manual adjustment feature; and

(b) An envy bonus shall be paid as follows:

- i. A player making the progressive side wager also qualifies to win an envy payout. If another player at the table has a royal or straight flush, each player who made the progressive side bet wins the envy payout. A player that has a royal or straight flush and has not made the progressive side bet only receives the normal prize pay and does not receive any envy pay;
- ii. If a player's hand triggers any envy payout, the dealer shall leave that player's hand face-up on the table until all payments are made; and
- iii. The dealer shall pay an envy payout at the end of the round. If more than one player is involved in a qualifying envy payout, each player wins a multiple envy payout.

Source: 31 SDR 165, effective May 10, 2005; 32 SDR 128, effective January 30, 200; 37 SDR 131, effective January 10, 2011; 38 SDR 101, effective December 5, 2011; 41 SDR 187, effective May 13, 2015.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

Cross-References:

Maximum amount of bets, SDCL 42-7B-4.

Table stakes, § 20:18:16:21.

Exposing hand, § 20:18:16:31.01.

20:18:16:15.11. The play -- Hold 'em 212 poker. Hold 'em 212 poker must be played according to the following rules:

(1) In the event that any cards are exposed by the dealer, the deal will be considered a misdeal. The dealer will then call the supervisor to the table to disclose the misdeal;

(2) Hold 'em 212 shall only be played on a table designated by the licensee for the play of Hold 'em 212 poker;

(3) One deck of cards shall be used;

(4) Players can only play one hand at a time;

(5) Winning hands shall be determined and paid according to the payouts listed on the table layout;

(6) Players must bet from three dollars to twenty-five dollars on the blackjack circle and a one dollar ante on the hold 'em circle before the cards are dealt. The 2 card plus circle is an optional bet and may be played for one dollar to ten dollars. If there is only one player, that player must place a five dollar bet. The first card shall be dealt face down in front of the player's bet, one to each player, and then one to the dealer, also face down. The second card dealt shall be used to pick up the first card and both cards are then placed together behind the players' bets. The dealer's second card will be dealt face down and placed under the dealer's first card;

(7) The house rake may not exceed ten percent of the pot with a maximum of three dollars per pot. Examples, \$10 to \$19 pot equals rake of one dollar; \$20 to \$29 pot equals rake of two dollars; \$30 plus pot equals rake of three dollars.

(8) How to bet and play one-on-one with the dealer:

Players must bet five dollars on (H) circle before the dealer deals the cards. Players may bet three dollars to twenty-five dollars on the blackjack circle and one dollar to ten dollars on the two cards plus.

The dealer pulls the five-dollar ante bets into the pot circle and proceeds to deal the cards.

After a player receives the two cards, the player must either bet or fold the hand. If a player folds, the five dollar ante in the pot circle goes into the tray and blackjack commences. If a player bets, the dealer will pull that bet into the pot circle. The dealer then burns one card face down, above and to the left of the tray, and then deals the three-card flop face up. At this point the player must either bet or fold. If player folds, all bets in the pot circle are pulled into the tray and blackjack commences. If a player bets, the dealer will pull that bet into the pot circle. The dealer then burns

one card face down, above and to the left of the tray placing it on top of the first burned card, and deals the turn card face up. Again, the player must either bet or fold. If a player folds, all bets in the pot circle are put into the tray and blackjack commences. If a player bets, the dealer shall pull that bet into the pot circle. The dealer then burns one card face down above and to the left of the tray placing it on top of the two burned cards and deals the river card face up. Again, the player must either bet or fold. If the player folds, all bets in the pot circle are put into the tray and blackjack commences. If the player bets, the dealer will pull that bet into the pot circle. This concludes the betting rounds.

If a player folds at any point in the betting rounds, the dealer must burn one card placing it over the discard rack before blackjack commences.

The dealer next takes the top burned card off the pile above and to the left of the tray and places it in the discard rack. The remaining two burned cards are turned over to be used as the dealer's hold 'em hand.

The dealer must have a pair or better to qualify to play. If the dealer does not qualify, the dealer will take the house rake, if applicable, from the pot circle and give the remaining chips to the player. If the dealer qualifies but the player has a better hand, the chips in the pot circle are paid 1:1 after any house rake is taken and all remaining chips are given to the player. If the dealer qualifies and has a better hand, the chips in the pot circle are put into the tray after any applicable house rake is taken out. The five community hold 'em cards and the dealer's two hold 'em cards are then burned to the discard rack with the dealer's cards on top and blackjack commences.

No split pots are allowed in one player hold 'em. If a split pot occurs it is considered a push and the chips in the pot circle are given back to the player after any applicable rake is taken.

Pay table for 2 Card Plus:

Ace, King Flush	15:1
Ace, King.	7:1
Pair.	4:1
Straight Flush.	3:1
Straight	1:1
Flush.	PUSH

(9) Two or more player Hold 'em 212.

Each player must bet one dollar on the (H) circle before the dealer deals the cards. A player may bet from three dollars to twenty-five dollars on the blackjack (BJ) circle and one dollar to ten dollars on the two card plus.

All betting rounds are from two dollars to ten dollars on hold 'em.

The dealer commences by pulling the one dollar ante (H) bets to the pot circle. The dealer then deals cards from the left to the right. The button will be placed by the first player who will start

the betting round by checking or betting from two dollars to the ten-dollar maximum bet. If a bet has been made, the remaining players must call, raise the bet, or fold.

If a player bets the maximum, the bet cannot be raised any further by later players. The remaining players must either call the bet or fold. This applies to all betting rounds.

The dealer next burns one card by placing it face down in the discard rack and then turns over the three-card flop. The dealer next pulls the hold 'em bets into the pot circle. The first player again starts a betting round by checking or betting. If no bet is made, the next player has the option to check or bet. If a bet has been made, the remaining players must call, raise the bet, or fold. When betting is finished, the dealer burns one card face down into the discard rack and then deals the turn card face up. The dealer then pulls the hold 'em bets into the pot circle. The first player again starts a betting round by checking or betting. If no bet is made, the next player has the option to check or bet. If a bet has been made, the remaining players must call, raise the bet, or fold. When betting is finished, the dealer again burns one card face down into the discard rack and then deals the river card face up. The dealer next pulls the hold 'em bets into the pot circle. The first player again starts a betting round by checking or betting. If no bet has been made, the next player has the option to check or bet. If a bet is made, the remaining players must call, raise the bet, or fold.

When the betting round is finished, the dealer will pull the final hold 'em bets to the pot circle. The dealer next takes the house rake from the pot and drops it in the box before the pot is distributed to the winner.

If all but one player folds at any point in the betting rounds, the dealer must burn one card placing it in the discard rack before blackjack commences.

The dealer will ask the players still participating in the hold 'em game to show both of their cards, starting with the player who has the dealer button. The player with the highest poker hand will be given all of the chips in the pot circle. The dealer then mucks the cards on the board by placing the cards in the discard rack. At this point, blackjack commences.

(10) Blackjack. If the dealer has not yet burned one card before commencing blackjack, the dealer must do so prior to commencing the blackjack game. All players shall hold their cards facing down to the table inside the table circle. Players are not allowed to show their two cards to any other players at the table.

The dealer will begin the blackjack hand by turning the dealer's top card face up and placing it on top of the bottom card. All players must pick up and hold their cards to play their hand. To hit the player must scratch the table with the player's cards. To stand the player must tuck the player's cards face down underneath the blackjack bet. To split or double down a player must turn the player's cards face up in front of the blackjack bet. Double down is only on a hard 10 or 11. Blackjacks shall be paid immediately. Double down cards must be placed face down underneath the double cards. Splitting is allowed on matching pairs only. When a player splits aces, they may only receive one card each. When a player has a blackjack, the player must turn the player's cards face up immediately. The dealer will then burn the cards by placing the cards into the discard rack. Busted hands must also be turned face up immediately. The dealer must follow the same rules for blackjack as set forth in ARSD chapter 20:18:15. When the dealer turns over the player's cards to pay or take

the blackjack bet, the dealer will then also pay or take for the 2 Card Plus bets. The dealer will then pick up all of the players' hands and place the cards in the discard rack, starting from third position to first position. When the blackjack is completed, the dealer will first move the button to the next player going from the dealer's left and continuing to the right. If the next player has just left the table and a new player sits down immediately in that position, the button will pass over the new player and be given to the next player. The dealer will remove the cards from the discard rack and place the cards on the table in front of the dealer and place the remaining cards in the dealer's hand on top. The dealer will then shuffle the cards.

If for any reason the dealer runs out of cards, the dealer must reshuffle the remaining cards in the discard rack.

An outgoing dealer shall tell the incoming dealer which player is to receive the button for the next hand. An outgoing dealer must finish a hand in progress before the dealer can be relieved from the table.

Source: 31 SDR 165, effective May 10, 2005; 32 SDR 128, effective January 30, 2006; 33 SDR 125, effective January 29, 2007.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-18.

Cross-References:

Maximum amount of bets, SDCL 42-7B-4.

Table stakes, § 20:18:16:21.

Exposing hand, § 20:18:16:31.01.

20:18:16:15.12. The play -- Texas Hold'em Bonus poker. Texas Hold'em Bonus poker must be played by the following rules:

(1) Players begin by placing wagers in the spot marked "ante." This wager is required in order to receive a two-card hand also known as hole cards;

(2) At the same time, players have an option to place a side bet wager and progressive wager. The side bet does not interact with a player and the dealer comparing hands for the best poker rating. The optional progressive wager shall be made on the sensor in front of the player's position. The progressive wager is placed to play against the pay schedules listed below in subdivision (17);

(3) Immediately before play begins and after each round of play has been completed the dealer shall shuffle the cards. After all players place their bets, the dealer shall press the appropriate button on the keypad. The sensors shall lock in the bet and light up, indicating a progressive wager. The dealer shall remove all progressive bets from the table;

(4) The dealer shuffles, cuts the deck, and deals, face down a two-card hand to each player occupying a "player position," plus two cards to the dealer position. The cards are dealt "blackjack-style," one card at a time, face down, in a clockwise manner, starting to the dealer's left;

(5) Following the deal, players review their two-card hand and decide to do one of the following without interaction or communication with any other players:

(a) "Fold" by discarding their two-card hand and forfeiting the ante wager; or

(b) "Bet" by placing a wager twice the amount of their "ante" wager on the "flop." Once players have placed both the ante and flop wagers, they are "in for the finish" of the hand;

(6) The dealer now "burns" one card face down and then turns over the next three cards in the deck. These community cards become the three-card flop, also called "the flop." The three-card flop must remain in the center of the table for all players to view and use to complete their hands;

(7) Starting from the dealer's left, the dealer proceeds in a clockwise manner. Players then elect to "check" or "bet" (to see the turn card). The turn is the fourth community card. Players electing to bet must place a wager amount equal to their ante wager. The dealer now burns another card. The dealer then turns the next community card up, also called the turn card, and places it in the center of the table in the area provided. The turn card must remain in place for all players to view and use to complete their hands;

(8) Starting from the dealer's left, the dealer proceeds in a clockwise manner. Players elect to "check" or "bet" (to see the river card). The river is the fifth and last of the community cards;

(9) Players electing to bet must place a wager amount equal to their ante wager;

(10) The dealer now burns another card. The dealer then turns the last community card up and places it in the center of the table in the area provided. The river card must remain in place for all players to view and use to complete their hands;

(11) The dealer turns the dealer's own two-card hand face up and verbally announces the best possible five-card poker hand using three or four of the community cards to create a five-card poker hand. If the best possible poker hand proves to be the five community cards, the dealer may elect to "play the board" by using all five of the community cards instead. The dealer moves any community cards being used slightly forward of their designated area on the board;

(12) Starting to the dealer's right (blackjack style), the dealer turns over the first player's two-card hand and evaluates the best possible five-card poker hand using three or four of the community cards to create a five-card poker hand. If the best possible hand proves to be the community cards, the player may elect not to use the two-card hand and "play the board" by using all five community cards instead. The dealer shall verbally announce the poker ranking. First the dealer should take the bonus wagers if the wagers do not appear on the pay table, or pay the bonus as indicated on the pay table. Second, the dealer shall arrange the player's hand into the best possible poker ranking and verbally announce the player's ranking;

(13) If a player's hand value and the dealer's hand value are equal, the dealer indicates a "push" and moves any flop, turn, or river wagers to the rear of the board and slightly off the betting spot, leaving the ante wager in place;

(14) If the player's hand is a lesser value than the dealer's hand, the dealer takes that player's ante, flop, turn, and river wagers and places them in the bankroll tray;

(15) If the player's hand is a greater value than the dealer's hand, the dealer shall pay flop, turn, and river wagers even money (1-1);

(16) If the player's winning hand is a "flush" or greater, the player shall be paid an additional amount equal to the player's ante;

(17) After the dealer has completed the entire procedure for a player, the dealer shall move to the next player to the left and continue in a counterclockwise manner, addressing one player at a time, first the bonus wager, then the base game wager, then the progressive wager; and

(18) If the Texas hold'em progressive wager is offered and a player has bet on the optional progressive wager and the player's hand contains a royal flush the player wins, regardless of the dealer's hand. If the player's hand contains less than a three of a kind the player loses. The player is paid according to the following payment schedule, which shall be displayed on a table placard or video progressive sign:

	THBP-08
	\$1 wager
Hand	Pays
Royal After 5	100%
Royal After 6	25%
Royal After 7	5%
Community Royal	\$3000
Straight Flush	\$250
4 of a Kind	\$100
Full House	\$10

Progressive Payment Schedule				
	PMG-01		PMG-02	
	\$1 Wager amount		\$5 Wager amount	
Hand	Pays	Envy	Pays	Envy
Royal Flush	100%	\$1,000	100%	\$5,000
Straight Flush	10%	\$300	10%	\$1,500
4 of a Kind	300 for 1		300 for 1	
Full House	50 for 1		50 for 1	
Flush	40 for 1		40 for 1	
Straight	30 for 1		30 for 1	
3 of a Kind	9 for 1		9 for 1	

The original progressive wager may not be returned to the player. The envy and seed amounts adjust up or down accordingly with changes made to the wager amount:

(a) Progressive winners:

i. The percentage pays are paid from the progressive jackpot shown on the progressive meter;

ii. Other hands are paid from the tray; these payments do not come off the meter;

iii. If a player has a progressive winner, the dealer shall press the appropriate button on the keypad. If the button is pressed by accident, the dealer shall press the button again to turn it off;

iv. If there is a progressive winner, the dealer shall contact a supervisor;

v. If more than one progressive hand payable from the progressive meter hits at the same table during the same time, house procedures are then followed for paying the prize;

vi. After keying in the progressive winner, the meter may be reduced, depending on the winning hand. Keying in a 100% award will reset the meter to the seed amount, plus any reserve amount. The dealer will continue handling progressive awards in a counter-clockwise fashion;

vii. After the dealer reconciles all action, the dealer shall press the appropriate button on the keypad. This action shall reset the system to begin the next hand and be logged into the progressive system; and

(b) An envy bonus shall be paid as follows:

i. A player making the progressive side wager also qualifies to win an envy payout. If another player at the table has a royal or straight flush, each player who made the progressive side bet wins the envy payout. A player that has a royal or straight flush and has not made the progressive side bet only receives the normal prize pay and does not receive any envy pay;

ii. If a player's hand triggers an envy payout, the dealer shall leave that player's hand face-up on the table until all payments are made; and

iii. The dealer shall pay any envy payout at the end of the round. If more than one player is involved in a qualifying envy payout, each player wins a multiple envy payout.

Source: 31 SDR 165, effective May 10, 2005; 37 SDR 131, effective January 10, 2011; 41 SDR 187, effective May 13, 2015.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

Cross-References:

Maximum amount of bets, SDCL 42-7B-7.

Table stakes, § 20:18:16:21.

Exposing hand, § 20:18:16:31.01.

20:18:16:15.13. The play -- Heads Up Poker Challenge. Heads Up Poker Challenge must be played according to the following rules:

(1) The game may be played only on a table designated by the licensee for the play of Heads Up Poker Challenge;

(2) The game consists of a dealer and two players;

(3) Both players shall make an equal, initial wager not exceeding the maximum bet limit established by SDCL 42-7B-14 and give the wagers to the dealer who places the wager in the designated location. The players are then given an equal number of Heads Up Poker Challenge poker chips;

(4) The game is played by playing Texas hold'em pursuant to § 20:18:16:11 in a no limit tournament format, with the blind bets doubling every 15 minutes;

(5) At any point after the first hand has been played, and if neither player has looked at his or her cards, the player in the big blind may increase the amount being wagered by the amount of the initial wager by picking up the challenge cube and placing it in the designated location in front of the other player. If the recipient of the challenge cube accepts the challenge, each player shall give the dealer an additional wager equal to his or her initial wager. The dealer shall place the wagers in the designated location and the game shall continue. However, if the recipient of the challenge cube rejects the challenge, that player forfeits the game and the other player wins all of the amounts wagered.

If the player is in the big blind and was previously the recipient of the challenge cube, that player may again increase the amount being wagered by the amount of the initial wager by picking up the challenge cube and placing it in the designated location in front of the other player;

(6) The challenge cube is a large six-sided die with imprints on each of its sides to indicate the number of times the wager has been increased;

(7) The game continues until one of the players has won all of the Heads Up Poker Challenge poker chips or one of the players forfeits the game by rejecting a challenge from the other player; and

(8) The winner of each game of Heads Up Poker Challenge has the right to either continue playing the game by playing a new game against the next challenger or the winning player may relinquish that right and leave the game with the player's winnings.

Source: 32 SDR 128, effective January 30, 2006.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:15.14. The play -- Mississippi Stud with optional three card bonus. Mississippi Stud must be played according to the following rules:

(1) Mississippi Stud may be played only on tables designated by the licensee for the play of Mississippi Stud. A single deck of cards must be used. The rank of hands in Mississippi Stud, from highest to lowest, is royal flush, straight flush, four of a kind, full house, flush, straight, three of a kind, two pair, pair of Jacks or better, and a pair of 6's-10's;

(2) Each player must make an initial bet, not to exceed \$25, in the amount specified at the table by the retail licensee and must place the bet in front of the player's position in the circle marked Ante. The optional three card bonus wager shall be made in the betting spot identified as such and is based on the three community cards only. The optional progressive wager shall be made on the sensor in front of the player's position. All wagers are placed to play against the pay schedules listed below in subdivisions (16), (17), and (18);

(3) Any dealer tip delivered as a wager may be placed on the ante hand provided that the player has placed a personal wager on the same hand. If a player continues play with a 3rd, 4th, and 5th street wager, the dealer's tip ante may remain in play whether or not the player adds a 3rd, 4th, and 5th street wager for the dealer. A dealer tip may also be placed with the three card bonus wager;

(4) Immediately before play begins and after each round of play has been completed, the dealer must shuffle the cards. After all players place their bets, the dealer shall press the appropriate button on the keypad. The sensors shall lock in the bet and light up, indicating a progressive wager. The dealer shall remove all progressive bets from the table. Following shuffle and cut, the dealer deals two cards to each player, either face downward and one at a time in rotation among the players or in a two-card group dispensed by a mechanical shuffling device. The first player to receive a card or cards is the player immediately to the left of the dealer.

(5) An incorrect number of cards dealt to a player or to the dealer is always a misdeal. An exposed card is not a misdeal. If the dealer exposes a card, the dealer turns the card over and continues dealing;

(6) Wagers are collected or paid in this order: 3rd street, 4th street, 5th street, ante, and three card bonus. The optional progressive wager shall be collected prior to cards being dealt. The sensor shall stay lit during the round of play if a progressive wager was made and winning hands shall be paid at the completion of the round of play;

(7) If a player has placed an ante wager and does not wish to play, the player may fold and forfeit the ante bet. After all players who wish to fold have folded, the dealer collects the ante, and the cards from each player who folded. All bets must be collected in the order in which the players fold. As the dealer collects the cards, the cards are spread face down to count the cards and then placed in the discard rack. If a player has bet on the optional three card bonus, progressive wager, or both, the player's cards shall be placed face down at the three card bonus wager or near the progressive sensor when folding;

(8) If a player who has placed an ante wager wishes to stay in the hand, the player must place an additional wager of 1x - 3x the amount of the player's ante wager in the 3rd street wagering area in front of the player's position;

(9) After all players have acted, the dealer exposes the 3rd street community card;

(10) If a player has placed an ante and 3rd street wager and does not wish to play, the player may fold and forfeit the ante and 3rd street wager. After all players who wish to fold have folded, the dealer collects the ante and 3rd street wager, and the cards from each player who folded. All bets must be collected in the order in which the players fold. As the dealer collects the cards, the cards are spread face down to count the cards and then placed in the discard rack. If a player has bet on the optional three card bonus, progressive wager, or both, the player's cards shall be placed face down at the three card bonus wager or near the progressive sensor when folding;

(11) If a player who has placed an ante and 3rd street wager wishes to stay in the hand, the player must place an additional wager of 1x - 3x the amount of the player's ante wager in the 4th street wagering area in front of the player's position;

(12) After all players have acted, the dealer exposes the 4th street community card;

(13) If a player has placed an ante, 3rd street, and 4th street wager and does not wish to play, the player may fold and forfeit the ante, 3rd street, and 4th street wager. After all players who wish to fold have folded, the dealer collects the ante, 3rd street, and 4th street wager, and the cards from each player who folded. All bets must be collected in the order in which the players fold. As the dealer collects the cards, the cards are spread face down to count the cards and then placed in the discard rack. If a player has bet on the optional three card bonus, progressive wager, or both, the player's cards shall be placed face down at the three card bonus wager or near the progressive sensor when folding;

(14) If a player who has placed an ante, 3rd street, and 4th street wager wishes to stay in the hand, the player must place an additional wager of 1x - 3x the amount of the player's ante wager in the 5th street wagering area in front of the player's position;

(15) After all players have acted, the dealer exposes the 5th street community card and each player now has a five-card poker hand (two hole cards with three community cards), the dealer working from right to left takes either of the following actions;

(a) If the player has a qualifying hand, each wager is paid according to the payable;

(b) If the player does not have a qualifying hand, the dealer collects the ante, 3rd street, 4th street, and 5th street wagers, and the cards from each player;

(16) The player is paid according to the following payment schedule, which must be included as part of the table layout:

- (a) Royal flush pays 500 to 1;
- (b) Straight flush pays 100 to 1;
- (c) Four of a Kind pays 40 to 1;
- (d) Full House pays 10 to 1;
- (e) Flush pays 6 to 1;
- (f) Straight pays 4 to 1;
- (g) Three of a Kind pays 3 to 1;

- (h) Two Pair pays 2 to 1;
- (i) Jacks or Better pays 1 to 1; and
- (j) A pair of 6's to 10's is a Push; and

(17) Three card bonus payouts are made for three card bonus bets by each player who receives certain three card combinations according to the following payment schedule options:

	3CB- A	3CB- B	3CB- C	3CB- D	3CB- E	3CB- F
(a) Mini Royal pays	--	--	--	50 to 1	50 to 1	50 to 1
(b) Straight Flush pays	40 to 1	40 to 1	40 to 1	40 to 1	40 to 1	40 to 1
(c) Three of a Kind pays	30 to 1	30 to 1	30 to 1	30 to 1	30 to 1	30 to 1
(d) Straight pays	6 to 1	5 to 1	6 to 1	6 to 1	5 to 1	6 to 1
(e) Flush pays	4 to 1	4 to 1	3 to 1	4 to 1	4 to 1	3 to 1
(f) Pair pays	1 to 1	25 to 1	25 to 1	25 to 1		

(18) If the Mississippi Stud progressive wager is offered and a player has bet on the optional progressive wager and the player's hand contains a Royal Flush the player wins, regardless of the dealer's hand. If the player's hand contains less than a Three of a Kind the player loses the progressive wager. The player is paid according to one of the following payment schedules, which shall be displayed on a table placard or video progressive sign:

Progressive Payment Schedule						
	MS Stud-01		PMG-01		PMG-02	
			\$1 Wager amount		\$5 Wager amount	
Hand	Pays	Envy	Pays	Envy	Pays	Envy
Royal Flush	100%	\$1,000	100%	\$1,000	100%	\$5,000
Straight Flush	10%	\$300	10%	\$300	10%	\$1,500
4 of a Kind	300 for 1		300 for 1		300 for 1	
Full House	50 for 1		50 for 1		50 for 1	
Flush	40 for 1		40 for 1		40 for 1	
Straight	30 for 1		30 for 1		30 for 1	
3 of a Kind	9 for 1		9 for 1		9 for 1	

The original progressive wager may not be returned to the player. The envy and seed amounts adjust up or down accordingly with changes made to the wager amount:

(a) Progressive winners:

- i. The percentage pays are paid from the progressive jackpot shown on the progressive meter;
- ii. Other hands are paid from the tray; these payments do not come off the meter;
- iii. If a player has a progressive winner, the dealer shall press the appropriate button on the keypad. If the button is pressed by accident, the dealer shall press the button again to turn it off;

iv. If there is a progressive winner, the dealer shall contact a supervisor;

v. If more than one progressive hand payable from the progressive meter hits at the same table during the same time, house procedures are then followed for paying the prize;

vi. After keying in the progressive winner, the meter may be reduced, depending on the winning hand. Keying in a 100% award will reset the meter to the seed amount, plus any reserve amount. The dealer will continue handling progressive awards in a counter-clockwise fashion; and

vii. After the dealer reconciles all action, the dealer shall press the appropriate button on the keyboard. This action shall reset the system to begin the next hand and be logged into the progressive system; and

(b) An envy bonus shall be paid as follows:

i. A player making the progressive side wager also qualifies to win an envy payout. If another player at the table has a royal or straight flush, each player who made the progressive side bet wins the envy payout. A player that has a royal or straight flush and has not made the progressive side bet only receives the normal prize pay and does not receive any envy pay;

ii. If a player's hand triggers an envy payout, the dealer shall leave that player's hand face-up on the table until all payments are made; and

iii. The dealer shall pay an envy payout at the end of the round. If more than one player is involved in a qualifying envy payout, each player wins multiple envy payouts;

(19) The provisions of § 20:18:16:21 do not apply to Mississippi Stud poker.

Source: 36 SDR 22, effective August 18, 2009; 37 SDR 131, effective January 10, 2011; 41 SDR 187, effective May 13, 2015; 42 SDR 93, effective December 24, 2015.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 41-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:15.15. The play -- Ultimate Texas Hold'em. Ultimate Texas Hold'em must be played according to the following rules:

(1) Ultimate Texas Hold'em may be played only on tables designated by the licensee for the play of Ultimate Texas Hold'em. A single deck of cards must be used. Posted table limits must take into consideration the additional wagers available so that a customer cannot exceed the \$1,000 bet limit. The rank of hands in Ultimate Texas Hold'em, from highest to lowest, is royal flush, straight flush, four of a kind, full house, flush, straight, three of a kind, two pair, pair, and high card;

(2) Each player shall make at least one initial bet in the amount specified at the table by the retail licensee and shall place the bet in either the Trips wagering area or both the ante and blind wagering areas, not to exceed the posted table limits, in front of the player's position. The optional progressive bet is made on the sensor in front of the player's position. The trips wager and

progressive wager are placed to play for hand value only; the ante bet is placed to play against the dealer; and the blind bet is placed to play for hand value and against the dealer. All bets may be placed if the player wants to play all ways;

(3) Any dealer tip delivered as a wager may be placed on any one, or all, of the trips, ante, or blind bets, if the player has placed a personal wager on the same hand. If a player continues play with a play wager, the dealer's tip ante may remain in play whether or not the player adds a play wager for the dealer;

(4) Immediately before play begins and after each round of play has been completed, the dealer shall shuffle the cards. After all players have placed wagers, the dealer shall press the appropriate button on the keyboard. The sensors shall lock in the bet and light up, indicating a progressive wager. The dealer shall remove all progressive bets from the table. Following shuffle and cut, the dealer deals two cards to each player and to the dealer, face downward and one at a time in rotation among the players and the dealer. The first player to receive a card is the player to the left of the dealer; the dealer receives cards last or if a mechanical shuffling device is used, the five community cards are dispensed first, then two-card groups must be dispensed for every player, and the dealer is last;

(5) An incorrect number of cards dealt to a player or to the dealer is always a misdeal. An exposed card is not a misdeal. If the dealer exposes a card, the dealer turns the card over and continues dealing;

(6) Wagers are collected or paid in this order: play, ante, blind, and trips, if applicable. The optional progressive wager shall be collected before cards are dealt. The sensor shall stay lit during the round of play if a progressive wager was made and winning hands shall be paid at the completion of the round of play;

(7) Once a player looks at the two face down cards, the player has the option to check to see the flop, the first three community cards, or bet. If a player makes a bet, that player shall place an additional wager in an amount equal to 3x or 4x the ante in the play wagering area in front of the player's position and place the cards face down under a wager in accordance with house policy. Once a player makes a play bet, the player is locked into the hand and must wait to see if the player beats the dealer's hand to be paid;

(8) After all players have acted, the dealer burns a card and exposes the flop, which is the first three community cards;

(9) The players who checked during the first round of betting shall be given the option to check again to see the next two community cards or bet. If a player makes a bet, that player shall place an additional wager in an amount equal to 2x the ante in the play wagering area in front of the player's position and place the cards face down under the play wager. Once a player makes a play bet, the player is locked into the hand and must wait to see if the player beats the dealer's hand to be paid;

(10) After all players have acted, the dealer burns a card and exposes the turn and river cards, which are the final two community cards;

(11) The players who checked during the second round of betting shall be given the final option to bet or fold. If a player makes a bet, that player shall place an additional wager in an amount equal to the ante in the play wagering area in front of the player's position and place the cards face down under the play wager. Once a player makes a play bet, the player is locked into the hand and must wait to see if the player beats the dealer's hand to be paid;

(12) If a player has placed an ante, blind, or trips bet and does not wish to play, the player may fold and forfeit the ante, blind, and trips bet or bets after the turn and river. If a player already has at least a three of a kind or better the player shall be paid on the trips wager. After each player who wishes to fold has folded, the dealer collects the ante, blind, and trips bet or bets, if not a three of a kind or better, and the cards from each player who folded. As the dealer collects the folded cards, the cards are spread face down to count the cards and then placed in the discard rack;

(13) After each player has decided to play or fold, the dealer shall expose the dealer's two down cards and combine the cards with the five community cards and call out and show the best possible five-card hand that the players have to beat. Once the dealer has determined what the highest hand is, the dealer takes either of the following actions:

(a) If the dealer does not have a qualifying hand, a pair or better, there is no action on the ante bets and the ante bets are returned to each remaining player; all remaining bets remain in action and shall be pushed, paid, or taken accordingly; or

(b) If the dealer has a qualifying hand, the play and ante wagers are pushed, paid, or taken; the blind bet is either pushed, paid on all straights or higher if the player beats the dealer, or taken; the trips bet is paid on all three of a kind or better, or taken;

(14) If the dealer's hand is a tie with a player's hand, the play, ante, and blind bets are a push; however, the trips wager is paid, if applicable;

(15) For play and ante bets, if a player's hand beats the dealer's hand, the player wins the ante and play bets, both of which are paid at the rate of 1 to 1. If the dealer's hand has the higher poker rank than the player's hand, the player loses both the ante and play bets. Tied hands are a push;

(16) For blind bets, if the dealer's hand beats the player's hand, the blind bet loses. If a player's hand beats the dealer's hand and the player's hand contains a straight or better the player wins the blind bet. The player is paid according to the following blind payment schedule, which must be included as part of the table layout:

Blind Payment Schedule				
	UTH-01	UTH-02	UTH-03	UTH-04
Hand	Blind	Blind	Blind	Blind
Royal flush	500 to 1	500 to 1	500 to 1	500 to 1
Straight flush	50 to 1	50 to 1	50 to 1	50 to 1
Four of a kind	10 to 1	10 to 1	10 to 1	10 to 1
Full house	3 to 1	3 to 1	3 to 1	3 to 1

Flush	3 to 2	3 to 2	3 to 2	3 to 2
Straight	1 to 1	1 to 1	1 to 1	1 to 1

(17) For trips bets, if a player has a trips bet and the player's hand contains a three of a kind or better, the player wins, regardless of the dealer's hand. If the player's hand contains less than a three of a kind, the player loses. The player is paid according to the following trips payment schedule, which must be included as part of the table layout:

Trips Payment Schedule				
	UTH-01	UTH-02	UTH-03	UTH-04
Hand	Trips Bonus	Trips Bonus	Trips Bonus	Trips Bonus
Royal flush	50 to 1	50 to 1	50 to 1	50 to 1
Straight flush	40 to 1	40 to 1	40 to 1	40 to 1
Four of a kind	30 to 1	30 to 1	30 to 1	20 to 1
Full house	9 to 1	8 to 1	8 to 1	7 to 1
Flush	7 to 1	6 to 1	7 to 1	6 to 1
Straight	4 to 1	5 to 1	4 to 1	5 to 1
Three of a kind	3 to 1	3 to 1	3 to 1	3 to 1

(18) If the Ultimate Texas Hold'em progressive wager is offered, a player has bet on the optional progressive wager, and the player's hand contains a royal flush the player wins, regardless of the dealer's hand. If the player's hand contains less than a three of a kind the player loses. The player is paid according to the following payment schedule, which must be displayed on a table placard or video progressive sign:

	UTHP-01
Hand	Pays
Royal Flush - First 5 Cards	100%
Royal Flush - First 7 Cards	5%
Community Royal	3,000 to 1
Straight Flush	250 for 1
4 of a Kind	100 for 1
Full House	10 for 1

	UTHP-02
Hand	Pays
Royal Flush	100%
Community Royal Flush	1,000 to 1
Straight Flush	250 for 1
4 of a Kind	75 for 1
Full House	10 for 1

Multi Link Game Progressive Payment Schedule				
		PMG-01		PMG-02
		\$1 Wager amount		\$5 Wager amount
Hand	Pays	Envy	Pays	Envy
Royal Flush	100%	\$1,000	100%	\$5,000
Straight Flush	10%	\$300	10%	\$1,500
4 of a Kind	300 for 1		300 for 1	
Full House	50 for 1		50 for 1	
Flush	40 for 1		40 for 1	
Straight	30 for 1		30 for 1	
3 of a Kind	9 for 1		9 for 1	

The original progressive wager may not be returned to the player. The envy and seed amounts adjust up or down accordingly with changes made to the wager amount:

(a) For progressive winners:

- i. The percentage pays are paid from the progressive jackpot shown on the progressive meter;
- ii. Other hands are paid from the tray; these payments do not come off the meter;

iii. If a player has a progressive winner, the dealer shall press the appropriate button on the keypad. If the button is pressed by accident, the dealer shall press the button again to turn it off;

iv. If there is a progressive winner, the dealer shall contact a supervisor;

v. If more than one progressive hand payable from the progressive meter hits at the same table during the same time, house procedures are followed for paying the prize;

vi. After keying in the progressive winner, the meter may be reduced, depending on the winning hand. Keying in a 100% award will reset the meter to the seed amount, plus any reserve amount. The dealer shall continue handling progressive awards in a counter-clockwise fashion;

vii. After the dealer reconciles all action, the dealer shall press the appropriate button on the keypad. This action shall reset the system to begin the next hand and be logged into the progressive system;

(b) An envy bonus shall be paid as follows:

- i. A player making the progressive side wager also qualifies to win an envy payout. If another player at the table has a royal or straight flush, each player who made the progressive side bet wins the envy payout. A player that has a royal or straight flush and has not made the progressive side bet only receives the normal prize pay and does not receive any envy pay;

ii. If a player's hand triggers an envy payout, the dealer shall leave that player's hand face-up on the table until all payments are made; and

iii. The dealer shall pay any envy payout at the end of the round. If more than one player is involved in a qualifying envy payout, each player wins multiple envy payouts;

(19) The provisions of §§ 20:18:16:21 and 20:18:16:31.01 do not apply to Ultimate Texas Hold'em.

Source: 36 SDR 22, effective August 18, 2009; 37 SDR 131, effective January 10, 2011; 38 SDR 172, effective April 23, 2012; 41 SDR 187, effective May 13, 2015; 42 SDR 146, effective May 3, 2016; 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:15.16. The play -- Pai Gow poker. Pai Gow poker must be played according to the following rules:

(1) Pai Gow poker may be played only on tables designated by the licensee for the play of Pai Gow poker. A single deck of 52 cards and one joker must be used. The joker may be used as a wild card to complete a straight, any flush, or as an ace. The rank of hands in Pai Gow poker, from highest to lowest is five aces (four aces and the Joker), royal flush, ace to five straight flush, straight flush, four of a kind, full house, flush, straight (ace to ten), straight (ace to five), straight without an ace, three of a kind, two pair, pair, and high card;

(2) Before each hand, the dealer deck must shuffle the deck of cards. The dealer shall distribute the cards into seven stacks, each containing seven cards. The four unused cards are placed into the discard rack;

(3) Player banking is not permitted for this game. Before the first card is dealt for a round of play, a player may make a wager of not more than the posted table limit against the dealer. All wagers must be made by placing gaming chips or tokens on the appropriate areas of the Pai Gow poker table;

(4) The dealer distributes the seven stacks of cards to each position at the table pursuant to the outcome from a roll of two dice. The position to the far left of the dealer must be position one and counted clockwise around the table with the dealer being position seven. The first position after counting past the dealer will be position eight and so on to position 12. The stacks of cards (a "hand") are then distributed to the players beginning with the position at the table that corresponds with the dice roll. The cards shall be distributed in a clockwise direction. The cards shall be distributed into seven stacks regardless of the number of players present at the Pai Gow poker table. After all seven positions have been dealt a hand, any cards placed at positions without a player are removed from the table and placed by the dealer into the discard rack;

(5) After the cards are dealt by the dealer, the player shall set the player's own hand, without the assistance of the dealer, by arranging the seven cards into two hands: a high hand containing five cards and a second highest hand containing two cards. Each player at the table is responsible

for setting the player's own hands. Each player shall keep the seven cards in full view of the dealer at all times. Once the player has set the player's own hands, the high and low hand shall be placed face down in the appropriate area of the table. Once a player places the cards in these areas, the player may not touch the cards again. If a player fails to set the player's hand with the highest ranking hand in the five card hand, it is considered a foul hand and must be reset by the dealer according to the house rules;

(6) After all players have set the players' hands and placed the hands on the table, the dealer shall turn over the seven cards dealt to the dealer's position, setting the dealer's hands, and arrange the cards into two hands, a high hand and a low hand according to the house rules. The dealer shall then place the dealer's hands on the appropriate area of the table. The dealer shall expose both hands of each player, starting from the far right and proceeding counterclockwise around the table. The dealer shall compare the high hand and low hand of each player to the high hand and low hand of the dealer and then announce if a player's wager wins or loses. The dealer shall immediately collect all losing wagers along with the cards of that player. The dealer shall also indicate which wagers are tie or push wagers and collect the cards;

(7) For a player to win, both of a player's hands must be superior to both of the dealer's hands. If either of the dealer's hand results in a tie or loss to a player, the player receives a push. If both of the dealer's hands are superior to both of the player's hands, the player loses the original wager;

(8) All cards collected by the dealer when completing the round of play shall immediately be placed in the discard rack in the manner collected to allow reconstruction of the hand if a dispute or question arises;

(9) A player may surrender the player's wager, whereby half of the original bet is placed into the rack, the other half returned to the player. To effectuate surrender, a player shall fold by placing the seven cards face down in front of the player's wager. The dealer shall make change for the player and spread the cards, counting to make sure all seven cards are returned. If all seven cards are present, the dealer shall place the cards into the discard rack. Surrender must be completed prior to the reveal of the dealer's hand;

(10) If a player would like assistance, the player must ask for a house rules button. The player shall lay all seven cards face down. The dealer shall set the player's hand according to the house rules when the hand is revealed;

(11) The licensee shall prescribe house rules consistent with the rules for Pai Gow poker;

(12) Winning wagers must be paid at odds of one to one except that a commission of not more than ten percent may be taken from the amount won. The commission shall be collected at the time that the winning wager is paid; and

(13) The provisions of §§ 20:18:16:21 and 20:18:16:31.01 do not apply to Pai Gow poker.

Source: 38 SDR 116, effective January 10, 2012; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-4(18), 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-15.

20:18:16:15.17. Variations of the play -- Casino War. Casino War must be played according to the following rules:

(1) Casino War may be played only on tables designated by the licensee for play of Casino War. Casino War shall be played with six to eight decks of cards. The rank of cards used in Casino War, for the purposes of determining a winning hand, shall be, in order from the highest to lowest rank: ace, king, queen, jack, 10, 9, 8, 7, 6, 5, 4, 3, and 2. The suit of a card has no effect on its rank;

(2) Each player shall make the initial bet in the amount specified at the table by the retail licensee. The player may also make the optional tie wager;

(3) Working from left to right, the dealer shall deal each player and the dealer a card face-up;

(4) The dealer shall, beginning from the dealer's left and proceeding around the table in a clockwise direction, compare the rank of each player's card with that of the dealer's card and settle all initial and tie wagers as follows:

(a) If a player's card is higher than the dealer's card the player wins even money on the primary bet; regarding the primary wager, the player has a choice:

- (i) Surrender half the primary wager; or
- (ii) Go to war;

(b) If the dealer's card is higher than or ties the player's card, the player loses the primary bet;

(c) If the dealer's card ties the player's card and the player made the optional tie wager, the player wins 10 to 1;

(d) If the player goes to war, the player and the dealer shall match the original wager, leaving three wagers in action; the original player wager, the player match wager, and the dealer match wager. The dealer then burns three cards and gives the player the next card, face-up. The dealer burns three more cards and gives the dealer the next card, face-up. If the:

- (i) Player beats the dealer, the player wins the three wagers available;
- (ii) Player ties the dealer, the player not only wins the three wagers available, but wins an additional wager; and
- (iii) Dealer beats the player, the house wins the three wagers available;

(5) As the dealer moves from left to right, the dealer shall pick up the losing hands and place the cards in the discard rack and pay the winning hands according to the following payment schedule. The payment schedule must be displayed on the table layout or a table sign.

Paytables	Pays
Beat dealer	1 to 1
Surrender instead of war	Lose half
Win after going to war	1 to 2
Tie after going to war	1 to 1

Source: 38 SDR 172, effective April 23, 2012.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:15.18. The play – Fortune Pai Gow poker. Fortune Pai Gow poker must be dealt and played following the standard rules of Pai Gow poker as set forth in § 20:18:16:15.16, except as follows:

(1) Fortune Pai Gow poker is an optional bonus bet;

(2) The bet considers the best hand possible among the player's seven cards;

(3) Each player may bet any amount within the table limits; however, a Fortune bonus bet of at least \$5.00 qualifies the player for envy bonus payout. An envy bonus is won when another player at the table has a hand that is at least four of a kind or higher;

(4) To begin each round, each player must make a standard Pai Gow wager and, at the player's option, a Fortune bonus bet. If a player wagers at least \$5.00 on the Fortune bonus bet, the dealer must place an "envy" button next to it;

(5) The dealer then follows house procedures for Pai Gow poker;

(6) While reconciling the standard Pai Gow poker wagers, the dealer shall also reconcile the Fortune bonus bets:

(a) If the player's hand qualifies for a payout, the dealer shall pay the player according to the posted payable. The dealer shall leave the "envy" button, if applicable, next to the player's original wager and payout. No dealer may pick up any "envy" button until all wagers are reconciled; and

(b) If the player's hand does not qualify for any payout, the dealer shall take the player's Fortune bonus bet. The dealer shall leave the "envy button, if applicable, next to the player's original wager and payout. No dealer may pick up any "envy" button until all wagers are reconciled;

(7) The dealer pays any envy bonuses at the end of the round. If at least one player has a four of a kind or higher, each player with an "envy" button wins – see payable. In the event more than one player has at least four of a kind, then each player with an "envy" button wins multiple payouts;

No player may win any envy bonuses for the player's hand or for the dealer's hand; and

(8) Paytables:

Paytable 1	Pays	Envy		Paytable 2	Pays	Envy
7 Card Straight Flush	5,000 to 1	\$1,000		7 Card Straight Flush	8,000 to 1	\$5,000
Royal Flush + Royal Match*	1,000 to 1	\$250		Royal Flush + Royal Match*	2,000 to 1	\$1,000
7 Card Straight Flush with Joker	750 to 1	\$100		7 Card Straight Flush with Joker	1,000 to 1	\$500
5 Aces	250 to 1	\$50		5 Aces	400 to 1	\$250
Royal Flush	100 to 1	\$25		Royal Flush	150 to 1	\$50
Straight Flush	50 to 1	\$10		Straight Flush	50 to 1	\$20
4 of a Kind	20 to 1	\$5		4 of a Kind	25 to 1	\$5
Full House	5 to 1			Full House	5 to 1	
Flush	4 to 1			Flush	4 to 1	
3 of a Kind	3 to 1			3 of a Kind	3 to 1	
Straight	2 to 1			Straight	2 to 1	
Three Pair	Push					
House Edge (max Envy Bonus)	5.30%			House Edge (max Envy Bonus)	3.13%	
House Edge (no Envy Bonus)	8.00%			House Edge (no Envy Bonus)	7.76%	

Paytable 3	Pays	Envy		Paytable 4	Pays	Envy
7 Card Straight Flush	5,000 to 1	\$3,000		7 Card Straight Flush	2,500 to 1	\$1,000
Royal Flush + Royal Match*	2,000 to 1	\$1,000		Royal Flush + Royal Match*	1,000 to 1	\$750
7 Card Straight Flush with Joker	1,000 to 1	\$500		7 Card Straight Flush with Joker	750 to 1	\$250
5 Aces	400 to 1	\$250		5 Aces	250 to 1	\$100
Royal Flush	150 to 1	\$50		Royal Flush	125 to 1	\$50
Straight Flush	50 to 1	\$20		Straight Flush	50 to 1	\$20
4 of a Kind	25 to 1	\$5		4 of a Kind	25 to 1	\$5
Full House	5 to 1			Full House	5 to 1	
Flush	4 to 1			Flush	4 to 1	
3 of a Kind	3 to 1			3 of a Kind	3 to 1	
Straight	2 to 1			Straight	2 to 1	
House Edge (max Envy Bonus)	3.23%			House Edge (max Envy Bonus)	4.09%	
House Edge (no Envy Bonus)	7.82%			House Edge (no Envy Bonus)	8.49%	

Paytable 6	Pays	Envy		Paytable 7	Pays	Envy
7 Card Straight	5,000 to 1	\$2,500		7 Card Straight	5,000 to 1	\$2,500

Flush				Flush		
Royal Flush + Royal Match*	1,000 to 1	\$500		Royal Flush + Royal Match*	2,000 to 1	\$500
7 Card Straight Flush with Joker	500 to 1	\$250		7 Card Straight Flush with Joker	1,000 to 1	\$250
5 Aces	300 to 1	\$150		5 Aces	400 to 1	\$150
Royal Flush	110 to 1	\$55		Royal Flush	150 to 1	\$55
Straight Flush	45 to 1	\$25		Straight Flush	50 to 1	\$25
4 of a Kind	25 to 1	\$6		4 of a Kind	25 to 1	\$6
Full House	5 to 1			Full House	5 to 1	
Flush	4 to 1			Flush	4 to 1	
3 of a Kind	3 to 1			3 of a Kind	3 to 1	
Straight	2 to 1			Straight	2 to 1	
House Edge (max Envy Bonus)	3.94%			House Edge (max Envy Bonus)	2.49%	
House Edge (no Envy Bonus)	9.28%			House Edge (no Envy Bonus)	7.82%	

*A Royal Match is a suited King-Queen.

Source: 39 SDR 100, effective December 3, 2012.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7-B-7, 42-7B-15.

Cross Reference: Pai Gow Poker, § 20:18:16:15.16.

20:18:16:15.19. The play - Flushes Gone Wild. Flushes Gone Wild must be played according to the following rules:

(1) Flushes Gone Wild may be played only on tables designated by the licensee for the play of Flushes Gone Wild. A single deck of cards must be used. Flushes Gone Wild features head-to-head play against the dealer and an optional flush rush bonus bet. Players and the dealer are dealt five cards and combine the cards with the community hand (two cards) to make the longest flush hand possible. Deuces (two-valued cards) are always wild and may be used to complete the flush hand;

(2) To begin the game, each player must make an equal wager on the ante and blind. A player may also make the optional flush rush bonus;

(3) Any dealer tip delivered as a wager may be placed on the ante, blind, or flush rush wagers provided that the player has placed a personal wager on the same wagers;

(4) The dealer presses the green button on the i-deal shuffler (set the game to "Flushes Gone Wild") to dispense the first packet of cards. This packet is used for the community hand. The dealer, working clockwise from the dealer's left to the dealer's right, gives each player and the dealer a

packet of five cards. The dealer then presses the green button on the i-deal shuffler to dispense all the remaining cards and begin shuffling the next deck;

(5) The dealer shall then burn the first card from the community hand, and spread two cards. The dealer shall also burn the bottom two cards from the hand at this time;

(6) Each player after looking at his or her hand may:

(a) Fold or stay in the game by making a play bet of 2x the player's ante; and

(b) The flush rush bonus wager (if played) is always in action. If the player folds, the dealer picks up the player's ante and blind wagers and tuck the cards face down under the flush rush bonus bet;

(7) The dealer's hand and the two community cards are revealed;

(8) The dealer, working counter-clockwise from right to left, compares the dealer's hand with the hand of each player that stayed in the game;

(9) If a player wins, the player's ante and play bets pay one to one, and the player's blind bet is resolved based on the margin of victory over the dealer according to the payout schedule below:

Win By	Pays
5 Cards or more	200 to 1
4 Cards	25 to 1
3 Cards	5 to 1
2 Cards	3 to 1
0 or 1	Push

(10) If a player loses, the player's ante, play, and blind bets lose;

(11) If a player ties, the player's ante, play, and blind bets push;

(12) If the player and dealer have flushes of identical length, the rank of the highest kicker card in the flush determines the winner. For example, Ac-7c-3c loses to Ah-10h-7h;

(13) An ace is the highest card in the flush; and

(14) A player wins the flush rush bonus bet if the player makes a four-card flush or better, even if the player loses to the dealer. Sample pay table below:

Length of Flush	Pays
7-Card Natural Flush	250 to 1
7-Card Wild Flush	100 to 1
6-Card Natural Flush	50 to 1
6-Card Wild Flush	10 to 1

5-Card Natural Flush	6 to 1
5-Card Wild Flush	3 to 1
4-Card Natural Flush	1 to 1

Source: 42 SDR 93, effective December 24, 2015.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:15.20. The play - Hot Poker Spot. Hot Poker Spot (HPS) an optional side bet for Texas Hold'em Poker, must be played according to the following rules:

(1) Prior to the deal commencing, the dealer asks players to place side bets by announcing "Hot Poker Spot bets please." The dealer then collects all side bets which are placed into the corresponding player position number on the side wager security bracket (SWSB);

(2) The dealer must deal two cards to each player, face downward and one at a time. The first player to receive a card is the player immediately to the left of the player who has the dealer button. The last player to receive cards is the player assigned the dealer button. After each player has received two cards, there is a betting round and the players may bet an amount not more than the posted table limit. The player to the left of the button opens and each active player may call, raise, or fold. Any player who folds at this point forfeits the player's HPS side bet as a losing wager;

(3) The dealer deals three community cards from the deck and turns the cards face upward, in the center of the table. Community cards are common to the hand of every active player in the pot;

(4) After the flop, the betting continues for another round. The player sitting to the left of the player assigned the dealer button opens. After the opening, each active player may call, raise, or fold. Any player who folds at this point, except in "heads up" play, forfeits the player's HPS side bet as a losing wager;

(5) The dealer deals the fourth community card (turn card) face upward in the center of the table. Another betting round occurs. Any player who folds at this point, except in "heads up" play, forfeits the player's HPS side bet as a losing wager. The dealer deals the fifth and final community card (river card) face upward in the center of the table for the final betting round. If there are two or more players remaining in the game after all bets are made, there is a showdown; and

(6) In Texas Hold'em, the highest hand wins the pot. In Hot Poker Spot achieving the highest possible hand is not a requirement for winning the HPS side bet. To qualify for payout, a player must call the final bet, achieve a straight or better using the two hole cards and any three of the five community cards, and expose the hole cards for dealer verification. The only players folding at any point after the flop who are eligible for a HPS payout are those players in "heads up" play. A folding player must achieve a qualifying hand of a straight or higher. All qualifying hands must be exposed for dealer verification as a condition of payout.

Paytable Option 1	
Qualifying Hand*	Prize Payout
Royal Flush	1,000 for 1
Straight Flush	200 for 1
4 of a Kind	100 for 1
Full House	25 for 1
Flush	15 for 1
Straight	10 for 1

*Highest Qualifying hand paid only

Paytable Option 2	
Qualifying Hand*	Prize Payout
Royal Flush	2,000 for 1
Straight Flush	200 for 1
4 of a Kind	100 for 1
Full House	25 for 1
Flush	15 for 1
Straight	10 for 1

*Highest Qualifying hand paid only

Source: 42 SDR 77, effective November 30, 2015.

General Authority: SDCL 42-7B-4(18), 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.'

20:18:16:15.21. The play -- High Card Flush. High Card Flush must be played according to the following rules:

(1) High Card Flush must be played on tables designated by the licensee for the play of High Card Flush. A single deck of cards must be used. The rank of hands in High Card Flush, from highest to lowest, is ace, king, queen, jack, 10, 9, 8, 7, 6, 5, 4, 3 and 2. Notwithstanding the foregoing, an ace may be used to complete a straight flush or straight formed with a 2, 3, 4, and 5. All suits are considered equal in rank;

(2) Each player shall make an initial bet in the amount specified at the table by the retail licensee and shall place the bet in the ante wagering area and, optionally the flush and straight flush wagering areas, not to exceed the posted table limits, in front of the player's position. The optional progressive bet is made on the sensor in front of the player's position. The flush, straight flush, and progressive wager are placed to play for hand value only; the ante and odds bet are placed to play for hand value and against the dealer. All bets may be placed if the player wants to play all ways;

(3) Any dealer tip delivered as a wager may be placed on any one, or all, of the trips, pocket, ante, odds, or raise bets, if the player has placed a personal wager on the same hand. If a player continues play with a raise wager, the dealer's tip ante may remain in play whether or not the player adds a raise wager for the dealer;

(4) Immediately before play begins and after each round of play has been completed, the dealer shall shuffle the cards. After all players have placed wagers, if the progressive is on the game, the dealer shall press the appropriate button. The sensors shall lock in the bet and light up, indicating a progressive wager. The dealer shall remove all progressive bets from the table. Otherwise, following shuffle and cut, the dealer deals seven cards to each player and to the dealer, face downward and one at a time in rotation among the players and the dealer. The first player to receive a card is the player to the left of the dealer and the dealer receives cards last. However, if a mechanical shuffling device is used, seven-card groups must be dispensed to each player and the dealer receives cards last;

(5) An incorrect number of cards dealt to a player or to the dealer is always a misdeal. An exposed card is not a misdeal. If the dealer exposes a card, the dealer turns the card over and continues dealing;

(6) Wagers are collected or paid in this order: raise, ante, flush, and straight flush, if applicable. The optional progressive wager shall be collected before cards are dealt. The sensor shall stay lit during the round of play if a progressive wager was made and the winning hands are paid at the completion of the round of play;

(7) After a player looks at the player's seven cards, the player must either fold the hand and surrender the player's ante wager or place a raise wager equal to the ante wager, unless the player's hand consists of five or more cards of the same suit. In that instance, a player with five suited cards may increase the raise wager up to double the player's ante wager and a player with more than five suited cards (6 or 7) may increase the raise wager up to triple the player's ante wager. If a player makes a raise bet, that player shall place an additional wager in the raise wagering area in front of the player's position and place the cards face down under the ante wager. After a player makes a raise bet, the player is locked into the hand and must wait to see if the player beats the dealer's hand to be paid;

(8) If a player has placed an ante, flush, or straight flush bet and does not wish to play, the player may fold and forfeit any or all bets. After each player who wishes to fold has folded, the dealer collects all bets and the cards from each player who folded. As the dealer collects the folded cards, the cards are spread face down to count the cards and then placed in the discard rack. If a player has a bet placed on the straight flush bonus, but decides to fold the player's ante, the player shall take the cards that make the straight flush and tuck the cards under the straight flush bet and discard the remaining cards;

(9) After each player has decided to play or fold, the dealer shall expose the dealer's seven cards and call out and show the highest flush that the players have to beat. After the dealer has determined what the highest hand is, the dealer takes either of the following actions:

- (a) If the dealer's best possible flush is lower than a 3-card 9-high flush, the dealer shall, starting with the player farthest to the dealer's right who has placed a raise wager and proceeding counter-clockwise around the table, pay each player even money on their ante wager and return each player's raise wager and settle all other wagers in accordance with the posted paytables; or
- (b) If the dealer's best possible flush is a 3-card 9-high flush or higher, the dealer shall, starting with the player farthest to the dealer's right who has placed a raise wager and proceeding counterclockwise around the table, turn the cards of each player who has placed a raise wager face up and announce the best possible flush hand that may be formed:
 - (i) If the player's hand is ranked lower than the dealer's hand, the player shall lose and the dealer shall immediately collect any ante and raise wagers made by the player and place the wagers in the chip tray;

(ii) If the player's hand is ranked higher than the dealer's hand, the player is paid even money on the player's ante and raise wagers; or

(iii) If the player's hand and dealer's hands tie, the ante and raise wagers push.

(10) For flush bets, if a player's hand contains a 4-card flush or better, the player wins, regardless of the dealer's hand. If the player's hand contains less than a 4-card flush, the player loses. The player is paid according to the following flush bonus paytables, which must be included as part of the table layout:

Flush Wager Paytable	HCF/F B	HCF/F B	HCF/F B	HCF/F B	HCF/F B	HCF/F B	HCF/F B
	1	2	3	4	5	6	7
# of Flush Cards							
7	300	100	200	300	200	500	400
6	100	20	20	75	60	50	60
5	10	10	10	5	12	12	12
4	1	2	2	2	1	1	1

(a) All odds shown above are "to 1"; and

(b) Only the highest qualifying hand is paid;

(11) For straight flush bets, if a player's hand contains a 3-card straight flush or better, the player wins, regardless of the dealer's hand. If the player's hand contains less than a 3-card straight flush, the player loses. The player is paid according to the following straight flush bonus paytables, which must be included as part of the table layout;

Paytable	HCF/SFB	HCF/SFB	HCF/SFB	HCF/SFB	HCF/SFB
# of Straight Flush Cards	1	2	3	4	6
7	8000	500	500	1000	500
6	1000	200	200	500	200
5	100	100	100	100	100
4	60	50	75	75	60
3	7	9	7	7	8

(a) All odds shown above are "to 1"; and

(b) An Ace may be used as either the lowest or highest rank of the suit;

(c) Only the highest qualifying hand is paid. If a player's sevens card hand consist of more than one straight flush, only the highest ranking straight flush is paid; and

(12) If the High Card Flush progressive wager is offered, a player has bet on the optional progressive wager, and the player's hand contains a 3 or 4-card straight flush the player may win depending on the payable the licensee chose, regardless of the dealer's hand. If the player's hand contains less than a 3-card straight flush the player loses. The player is paid according to the following payment schedule, which must be displayed on a table placard or video progressive sign:

Hand	Paytable 1	Paytable 2
7-Card Straight Flush	100%	100%
6-Card Straight Flush	10%	10%
5-Card Straight Flush	250	900
4-Card Straight Flush	40	50
3-Card Straight Flush	3	0
1-Card or 2-Card Straight Flush	0	0
Hand	Paytable 3	Paytable 4
7-Card Straight Flush or 9TJQKA Suited	100%	100%
6-Card Straight Flush or A23456-89TJQK Suited	10%	10%
5-Card Straight Flush	250	800
4-Card Straight Flush	40	50
3-Card Straight Flush	3	0
1 Card or 2-Card Straight Flush	0	0

The original progressive wager may not be returned to the player. The seed amounts adjust up or down accordingly with changes made to the wager amount:

For Progressive winners:

- (a) The percentage pays are paid from the progressive jackpot shown on the progressive meter;
- (b) Other hands are paid from the tray; these payments do not come off the meter;
- (c) If there is a progressive winner, the dealer shall contact a supervisor;
- (d) If more than one progressive hand payable from the progressive meter hits at the same table during the same time, house procedures are then followed for paying the prize; and
- (e) After awarding the progressive winner, the meter may be reduced, depending on the winning hand. Awarding a 100% award will reset the meter to the seed amount, plus any reserve amount. The dealer continues handling progressive awards in a counterclockwise fashion.

Source: 43 SDR 131, effective April 17, 2017.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(3), 42-7B-7. 42-7B-15.

20:18:16:15.22. The play -- Cover All Bonus. Cover All Bonus is an optional side bet for select poker games. The Cover All Bonus may be used in conjunction with Caribbean Stud, Four Card Poker, Let it Ride, Mississippi Stud, Three Card Poker, and Ultimate Texas Hold'em. The wager pays if the wagering player, another player, or the dealer (if applicable: Caribbean Stud, Four Card Poker, Three Card Poker and/or Ultimate Texas Hold'em) receives one of the qualifying hands. Payouts are based on the highest hand only. Payouts are against a payable. Additional requirements are:

- (1) The i-Deal Shuffler must be set to the appropriate game being played;
- (2) Each player making a Cover All Bonus wager must place the player's wager before the start of the round;
- (3) The bet wins if the highest hand at the table (if applicable: Caribbean Stud, Four Card Poker, Three Card Poker and/or Ultimate Texas Hold'em) is a qualifying hand based on the payable associated with the game;
- (4) Payouts are dynamic. The payouts must change based on the number of players in a round, including the dealer's (if applicable: Caribbean Stud, Four Card Poker, Three Card Poker and/or Ultimate Texas Hold'em);
- (5) After the dealer removes the last hand (the dealer's if Caribbean Stud, Four Card Poker, Three Card Poker and/or Ultimate Texas Hold'em) from the shuffler and presses the green button, the i-Deal Plus must determine the number of players in the round and displays the payouts on its front screen;
- (6) Only the highest qualifying hand pays;
- (7) The dealer resolves the game according to the house procedures with a few changes:
 - (a) When the dealer comes across a qualifying hand, even if it's the dealer's hand (if applicable: Caribbean Stud, Four Card Poker, Three Card Poker and/or Ultimate Texas Hold'em) the dealer shall leave the cards exposed on the table; and
 - (b) If the dealer comes to a higher qualifying hand, the dealer shall leave those cards exposed and remove any previous cards left on the table;
- (8) After the dealer has finished reconciling all player bets, any Cover All Bonus wagers must be reconciled; and
- (9) A Cover All Bonus wager must be paid in accordance with one of the following paytables:

Cover All Bonus for use with Caribbean Stud Poker							
Highest Hand Rank	8 Total Hands	7 Total Hands	6 Total Hands	5 Total Hands	4 Total Hands	3 Total Hands	2 Total Hands
Royal Flush	100	125	150	200	250	300	500
Straight Flush	40	70	80	90	100	125	200
Four of a Kind	7	15	17	20	30	40	60
Full House	6	9	12	15	20	30	40
Flush	5	7	9	10	15	20	35
Straight	4	5	7	8	10	17	25
Three of a Kind	3	3	3	4	5	6	9

All pays are TO 1

Cover all Bonus for use with Four Card Poker						
Highest Hand Rank	7 Total Hands	6 Total Hands	5 Total Hands	4 Total Hands	3 Total Hands	2 Total Hands
Four Aces	100	100	125	150	200	250
Royal Flush	50	50	80	90	100	125
Four of A Kind (Other)	35	30	50	60	80	90
Straight Flush	20	15	30	30	50	70
Three of a Kind	3	4	4	5	6	8

All pays are TO 1

Cover All Bonus for use with Let It Ride (Dealer's Hand included)							
Highest Hand Rank	7 Total Hands	6 Total Hands	5 Total Hands	4 Total Hands	3 Total Hands	2 Total Hands	1 Total Hand
Royal Flush	90	100	150	200	250	300	00
Straight Flush	40	50	60	70	80	100	200
Four of	20	30	35	40	50	80	150

a Kind							
Full House	10	15	17	20	25	40	100
Flush	7	10	11	15	20	30	70
Straight	4	5	6	8	10	15	30
Three of a Kind	3	3	4	5	7	11	20

All pays are TO 1

Cover All Bonus for use with Mississippi Stud Poker (Dealer's Hand included)						
Highest Hand Rank	6 Total Hands	5 Total Hands	4 Total Hands	3 Total Hands	2 Total Hands	1 Total Hand
Royal Flush	100	125	150	200	250	500
Straight Flush	50	60	70	80	100	200
Four of a Kind	30	35	40	50	80	150
Full House	20	20	25	35	50	100
Flush	10	11	15	20	30	60
Straight	6	8	10	12	20	40
Three of a Kind	3	4	5	7	10	20

All pays are TO 1

Cover All Bonus for use with Three Card Poker							
Highest Hand Rank	8 Total Hands	7 Total Hands	6 Total Hands	5 Total Hands	4 Total Hands	3 Total Hands	2 Total Hands
Royal Flush	40	50	60	70	80	90	100
Straight Flush	12	15	20	25	30	40	60
Three of a Kind	9	12	15	20	25	35	50
Straight	1	1	1	1.5	2	3	5

All pays are TO 1

Cover All Bonus for use with Ultimate Texas Hold'em						
Highest Hand Rank	7 Total Hands	6 Total Hands	5 Total Hands	4 Total Hands	3 Total Hands	2 Total Hands
Royal Flush	70	80	100	125	150	200
Straight Flush	30	40	40	70	80	100
Four of a Kind	20	30	35	40	50	70
Full House	4	4	5	6	8	12

All pays are TO 1

Source: 44 SDR 65, effective October 16, 2017.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:15.23. Variations of the play -- Dakota Duel Draw. Dakota Duel Draw must be played according to the following rules:

(1) Dakota Duel Draw must be played on tables designated by the licensee for the play of Dakota Duel Draw. A single deck of cards must be used. The rank of hands in Dakota Duel Draw, from highest to lowest, is royal flush, straight flush, four of a kind, full house, flush, straight, three of a kind, two pair, pair, and high card;

(2) Each player shall make at least one initial bet in the amount specified at the table by the retail licensee and shall place the bet in either the big 8 wagering area or the hand 2 ante wagering area, or both. A player places the big 8 wager to play for hand value only; a player places the hand 2 ante bet to play a hand ranking payout; and a player places the hand 1 play bet to play for hand ranking payout. A player places all bets if the player wants to play all ways;

(3) Any dealer tip delivered as a wager may be placed on any one, or all, of the big 8, hand 2 ante, or hand 1 play, if the player has placed a personal wager on the same hand. If a player continues to play with a hand 1 play wager, the dealer's tip hand 2 ante may remain in play whether or not the player adds a hand 1 play wager for the dealer;

(4) Immediately before play begins and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer shall deal one card to hand 2 community card and one card to hand 1 community card and one to each player, then a second card to hand 2 community card and hand 1 community card and one to each player, then a third card hand 2 community card and a third hand 1 community card, all cards are dealt face downward and one at a time in rotation among the community cards and the players cards;

(5) An incorrect number of cards dealt to a player or to the community cards is always a misdeal. An exposed card is not a misdeal. If the dealer exposes a card, the dealer turns the card over and continues dealing;

(6) Wagers are collected or paid in this order: pocket pair bonus, hand 1 play, hand 2 ante, and the big 8, if applicable;

(7) Once a player looks at the player's two face down cards, the player has the option to fold and forfeit the hand 2 ante bet or place a bet equal to the hand 2 ante on the hand 1 play. If the player has made a big 8 wager and forfeits the hand 2 ante, the player will place the cards face down in accordance with house policy. If the player places a hand 1 play bet, the player places the cards in accordance with house policy. Once a player makes a hand 1 play bet, the player is locked into the hand and must wait to see if the player hands rank high enough for a payout;

(8) If a player already has at least a straight or better, the player shall be paid on the big 8 wager. There is no action required for the big 8 wager. The big 8 wager is the best 5 cards out of the player's two cards and the six community cards on the board. After each player who wishes to fold has folded, the dealer collects the hand 2 ante. As the dealer collects the folded cards, the cards are spread face down to count the cards and then placed in the discard rack; if the player folds his hand 2 ante and has a big 8 bet, the cards will be tucked under the big 8 wager, or according to house policy;

(9) After each player has decided to play or fold, the dealer shall expose the six community cards in two sets of three cards, and call out and show the best possible five-card hand that the players have for the hand 1 play, the hand 2 ante, and the big 8. Once the dealer has determined the players hand ranking for each wager remaining, the dealer will pay or take the bet or bets according to hand ranking for each wager. If the two cards dealt to the player are a pair, the player will receive a bonus according to the pocket pair bonus. This bonus will be paid only if the player plays the hand 1 play. The pocket pair bonus is paid according to the amount played on hand 1. The pocket pair bonus is paid regardless of whether the player loses any of the other wagers;

(10) Players are paid according to the following hand 1 play and hand 2 ante payment schedule, which must be included as part of the table layout:

Hand	Pay
Royal Flush	100 to 1
Straight Flush	50 to 1
4 of a Kind	30 to 1
Full House	8 to 1
Flush	6 to 1
Straight	4 to 1
3 of a Kind	3 to 1
2 pair	2 to 1
Pair, Nines or Higher	2 to 1

(11) Players are paid the pocket pair bonus according to the following pocket pair bonus play schedule, which must be included as part of table layout:

Pair	Paytable 1	Paytable 2	Paytable 3	Paytable 4	Paytable 5
AA	4x	4x	4x	20x	20x
KK	4x	4x	4x	10x	10x
QQ	4s	4x	4x	8x	4x
JJ	4x	4x	4x	3x	4x
1010	4x	4x	3x	3x	4x
99	4x	4x	3x	3x	4x
88	4x	4x	3x	N/A	N/A
77	4x	3x	3x	N/A	N/A
66	4x	3x	3x	N/A	N/A
55	4x	3x	3x	N/A	N/A
44	3x	3x	3x	N/A	N/A
33	3x	3x	3x	N/A	N/A
22	3x	3x	3x	N/A	N/A

(12) If a player has a big 8 bet and the player's hand contains a straight or better, the player wins. If the player's hand contains less than a straight the player loses. Players are paid according to the following big 8 payment schedule, which must be included as part of the table layout:

Hand	Paytable 1	Paytable 2	Paytable 3	Paytable 4	Paytable 5
Royal Flush	50 to 1	50 to 1	50 to 1	50 to 1	80 to 1
Straight Flush	30 to 1	30 to 1	30 to 1	35 to 1	40 to 1
4 of a Kind	15 to 1	20 to 1	20 to 1	30 to 1	30 to 1
Full House	5 to 1	5 to 1	6 to 1	4 to 1	4 to 1
Flush	3 to 1	4 to 1	3 to 1	3 to 1	3 to 1
Straight	2 to 1	1 to 1	1 to 1	2 to 1	2 to 1

Source: 47 SDR 109, effective April 26, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:16. Rake-offs. Rake-offs may not exceed 10 percent of all sums wagered in the hand. Rake-offs may 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 must be placed and remain in a designated rake circle until a winner is declared and paid. The rake-off must then be dropped into the drop box. The designated rake circle must be clearly visible to all players.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:17. Operation of the game. Play must proceed in a clockwise direction with each player's turn following the person on the player's immediate right.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:18. Protection of hands. Repealed.

Source: 16 SDR 57, effective October 1, 1989; repealed, 18 SDR 9, effective July 23, 1991.

20:18:16:19. Dealing. A card dealt must be the top card of the deck. After the first card of the hand has been dealt to a player, the deal continues in a clockwise direction. The order of cards in the deck may not be disturbed during the deal of a round.

A card that is meant to be dealt face downward but is dealt face upward or flashed as it is dealt so that a player might know its identity or is dealt off the table is considered an exposed card. A card exposed by a player is not an exposed card. An exposed card meant to be dealt face downward must be replaced except in the game of stud poker in which the correction may be made by dealing the next card down. The replacement of an exposed card must be done after all players have received their cards in that round. The dealer must determine whether a card has been exposed.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:19.01. Exposed final card in seven-card stud poker. In seven-card low stud poker, seven-card high stud poker, or seven-card high-low split stud poker, if a player who is not the first player is dealt an exposed final card, the player with the exposed card has the option of being "all-in" before the betting round begins.

If the player receiving the final exposed card is the first player, all other players are dealt their final card face upward and the betting proceeds normally.

Source: 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

Cross-References: The play -- Seven-card low stud poker and seven-card high stud poker, § 20:18:16:14; The play -- Seven-card high-low split stud poker, § 20:18:16:15.

20:18:16:20. Misdeal. A misdeal causes all of the cards to be returned to the dealer for a redeal. A misdeal may not be called once substantial action has occurred. "Substantial action" is defined as either three players acting by betting or folding or two players acting, if one of them has raised the pot.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 64, effective October 9, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:21. Table stakes. A player confronted by a bet larger than the player's stack of chips may call "all in" and place the chips into the pot as a call. The excess part of the bet is either returned to the bettor or used to form a side pot with another player or players by matching the amount called. There is no limit on the number of side pots. Play must continue and the player who is "all in" must receive cards as other active players. The remaining players must place their bets into the side pot or pots. At the showdown, if the player who is "all in" has the high hand, the player wins the pot. The player with the second highest hand wins the side pot. If the player who is "all in" does not have the highest hand, the player with the highest hand wins both pots.

In a high-low game, a similar procedure must be used to award the pots to the highest and lowest hand.

A player who is "all in" and loses must leave the game or buy more chips.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:22. Bypassed betting. A player must act on the player's hand. The player must notify the other players that the player has not yet acted if the betting action inadvertently bypasses the player.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:22.01. Burn card procedure. A retail licensee may adopt a burn card procedure in which one card will be burned after each round of betting and before dealing any additional cards. Any other burn card procedure must be placed in writing and submitted to the executive secretary for approval.

Source: 17 SDR 93, effective January 6, 1991; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-16.

20:18:16:23. Burned cards. If the dealer burns a card, it must be set aside. If the dealer burns a card and is unable to deal immediately, the dealer may place the burned card back on top of the deck and verbally announce that fact.

Source: 16 SDR 57, effective October 1, 1989; 17 SDR 93, effective January 6, 1991.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:24. Folding. If a player bets but announces a fold, the player has a dead hand. In stud poker, the dealer must decide whether the act by a player of taking the player's cards and removing them from the table is a fold if the next player takes action.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:25. Call or raise. A statement by a player of "call" or "raise" or of a specific bet is binding. A player who states a certain amount but puts a different value of chips into the pot must correct the bet to the stated amount if the next player has not acted. The dealer must correct all bets.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:26. Conceded hand. A player who makes a bet, decides incorrectly that the player has no live hand against the play, and concedes the hand by throwing it into the discard pile loses the pot unless the hand is declared retrievable by the dealer.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

Cross-Reference: Criteria for retrievable hand, § 20:18:16:30.

20:18:16:27. Procedure for calls. A player who unintentionally puts fewer chips into the pot than are needed to call must complete the call or withdraw the partial bet in full. A player who shows that the player is unaware of the raise by calling only the amount of the bet before the raise may withdraw the chips and fold. An illegal bet must stand once three players have called, a player has raised, or all players in the pot have acted; otherwise, the action must back up to the player making the illegal bet and any other action is nullified. A player may assemble chips in front of the player before acting. A player makes a bet if the player pushes assembled chips forward or releases chips into the pot at a sufficient distance from the player to make it obvious that the player intends to bet. If the situation is unclear and a player allows the dealer to pull the player's chips into the pot without making an immediate objection, it is a bet.

A player must place the player's entire bet in front of the player at one time. Unless a player has placed the amount of chips required to call a bet and to signify a raise, the player may not place additional chips for a raise.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:28. Apparent call. If a player calls but places a value of chips into the pot that is larger than the bet, it must be regarded as a call unless the player announces a raise. The player may clarify the apparent call as a raise only if no other player behind the player has placed chips into the pot or announced a call or raise. The dealer must provide the player with change of chips, if necessary, at the time the bet is placed.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:29. Fouled hand -- Short hands. A fouled hand is a hand that either has an improper number of cards, unless the player is short a card and due to get the top card of the deck, or has a card that has come into contact with discards. If a player has a fouled hand by having too many cards, that hand is dead and cannot win any part of the pot. Except for games of low draw and high-low split draw, a player may play with too few cards as long as the player can make a hand.

If a player discovers that the hand is fouled, the player cannot recover any chips the player placed into the pot unless a misdeal can be called. If a player with a fouled hand makes a bet or raise and the next player has not yet acted, the next player may call attention to the fact that the hand is fouled. The dealer must return the player's bet to the player with the fouled hand and betting may resume.

No player may deliberately foul a hand to recover a bet or make an attempt to win the pot by betting or raising after the player has discovered that the player's hand is fouled. If the dealer determines that a player has intentionally bet a fouled hand, the dealer must rule that the player's chips remain in the pot.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:30. Showdown. If two or more players remain in the pot after all of the cards have been dealt and the betting is over for that hand, the remaining players show their cards to determine which player has the best hand and wins the pot. A player may discard a hand without showing it. A player must show the hand at the showdown if requested to do so by the dealer or management. If the player refuses to show the hand upon such a request, the player must leave the game. The player with the winning hand must show all cards before the pot is awarded.

The following provisions govern showdown:

- (1) A hand with too many cards for that game is dead;
- (2) A hand is ranked according to the actual cards it contains. The cards speak for themselves;
- (3) A hand that is prematurely discarded by a player and touches the discarded cards is dead;
- (4) A verbal concession is not binding;
- (5) A player who leaves the table conceding the pot must discard the hand;

(6) A hand discarded face upward is a live hand if it has not become irretrievably mixed with the discards;

(7) A hand discarded face downward may be retrieved if the following conditions are met:

- (a) The player retrieves it or requests the dealer to turn it face up;
- (b) The hand has not touched any discards; and
- (c) Another player has not been induced to discard the other player's hand;

(8) A hand discarded face downward that is not retrievable is dead even if it had been shown before being discarded;

(9) A hand discarded by the dealer with the player's approval is dead;

(10) If the dealer discards the winning hand without the player's approval, the player is entitled to the pot if it is claimed before being taken in by another player; and

(11) A player who remains silent has not given approval for the dealer to discard the player's hand. The player must positively approve the dealer's action.

Source: 16 SDR 57, effective October 1, 1989; 17 SDR 93, effective January 6, 1991; 19 SDR 21, effective August 20, 1992; 22 SDR 95, effective January 18, 1996.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:31. Review of hands. At the conclusion of the betting round, a player must place the player's hand face upward on the table at the showdown as follows:

(1) If there has been a bet on the final round, the player who made the bet must show first;

(2) If there have been one or more raises on the final round, the player who last raised must show first;

(3) If the final round has been checked by all the players, the player who acted first must show first;

(4) The subsequent order of showing hands is clockwise around the table from the player who must show first; and

(5) Suits of cards do not count in the ranking of hands at the showdown.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:31.01. Exposing hand. When an active player exposes the player's hand to another active player, all other players at the table have the right to see the exposed hand. If the player who exposed the hand or the player who saw the exposed hand refuses, both hands shall be declared dead.

Source: 18 SDR 9, effective July 23, 1991; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:32. Award of pot. Pots must be awarded by the dealer. When the dealer has awarded a pot and it has been taken in by a player without a claim against it, the award stands. No player may make an agreement with any other player regarding the pot. A game must be played to conclusion and the pot awarded to the winning player.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:32.01. Bad beat pots and pool pots. All bad beat pots and pool pots are promotional. The licensee must post clear and legible rules stating how the promotional funds are to be pulled from the pot and what hand must be beat to constitute a bad beat.

Revenues collected from the pot must be immediately secured by the licensee, and maintained in a segregated bank account for the purpose of holding of funds contributed by the players, until the pot is won. The revenues shall accumulate until won. Pot withdrawals may not be placed in the drop box or commingled with any other gaming revenue.

Source: 19 SDR 177, effective May 27, 1993; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-43.

20:18:16:33. Odd chips in ties. If a pot that is split by having tied hands at the showdown has an odd chip, the chip is awarded to the player with the highest ranking card. This section does not apply to splits between the high and low hands in high-low poker. If the lowest denomination chips in the pot are unable to be used to split the pot evenly, the dealer must exchange the chips in order to divide split pots as evenly as possible.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:34. Use of defective deck. If a defective deck is used, all chips in the pot must be returned to the players in the amount each contributed. A player who knows the deck was defective and attempts to win the pot by a bet is not entitled to the player's chips in the pot. Such chips must remain in the pot as forfeited money for the next game. A player who won a pot is entitled to keep it, even though the deck is subsequently found to be defective.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:35. Faced card. If a card is improperly faced in the deck, it must be treated as a dead card and replaced by the next card below it in the deck. A joker dealt face upward when the joker is not being used in the game is a dead card. A joker dealt face downward to a player when the joker is not used in the game must be replaced by the top card of the deck after all of the other players have received cards for that round.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:36. Time limit. The retail licensee may place a maximum time limit for a player to act on a hand. At the end of the time limit, if the player has not bet, the player must check. If there has been a bet to the player, the player's hand is dead. The dealer must provide warning to the player before the expiration of the time limit.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:37. Posting of rules. Posted rules must be clear and legible and placed at each poker table or in a conspicuous location so that each player may easily read the rules. Rules and the place of posting must be approved by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-15.

20:18:16:38. House game rules. A retail licensee must post house game rules that include at least the following rules:

- (1) It must use one deck of 52 cards, except when a joker is used;
- (2) It must use a cutting card to conceal the bottom card of the deck;
- (3) It will deal out of the hand;
- (4) It will allow blind bets or not allow blind bets;
- (5) It will use or not use bet-or-check policy;
- (6) It will use or not use "check-and-raise";
- (7) The maximum amount of rake-off must not exceed 10 percent;
- (8) It will use an ante or no ante; and
- (9) It will set the number of raises allowed per round.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:39. Player rules. A retail licensee must post the following rules for players:

- (1) A player must be at least 21 years of age;
- (2) No side bets are permitted; and
- (3) No credit is extended;
- (4) The use of any electronic device for communication at the table is prohibited;
- (5) The placement of any electronic device on the table is prohibited;
- (6) A player may only speak English during the play of a hand; and
- (7) Ethical play: Any player who soft plays a hand shall be penalized. The penalty may include either chip forfeiture or disqualification or both. Any player involved in chip dumping and other forms of collusion shall be disqualified.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 41 SDR 7, effective July 29, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-15.

20:18:16:40. Maximum number of players. The house shall set the maximum number of players for each type of poker game. When the dealer realizes that there are not enough cards to complete the game and a player or players have received down cards, all remaining live cards and burn cards, excluding the muck, must be reshuffled to form a new deck which must be used to deal to the remaining player or players. If the dealer runs out of cards in the games of seven-card low stud poker, seven-card high stud poker, and seven-card high-low split stud poker, the dealer must burn a card and then deal a seventh card face up as a community card.

The muck is the discard pile.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 19 SDR 21, effective August 20, 1992; 20 SDR 113, effective January 23, 1994; 25 SDR 172, effective July 11, 1999.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

20:18:16:41. Proposals for variations. A retail licensee may submit to the executive secretary, for approval, proposed variations in the shuffle, cut card placement, number of cut cards, shuffle techniques without the use of cut cards, location of the shuffle, who is responsible for shuffling, shuffling equipment, dealing devices, the player who opens a betting round, raises, games, and burn card procedures.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:42. Changing dealers at poker tables. When a new dealer comes on duty at a poker table, the new dealer must count all of the cash and chips in the imprest bank before accepting responsibility for it.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:43. Procedure for accepting cash at poker tables. A poker dealer who receives currency from a player at a poker table for exchange for chips must perform the following:

(1) The currency must be spread on the top of the poker table by the dealer;

(2) The amount of currency must be stated by the dealer accepting it;

(3) Immediately after an equivalent dollar amount of poker chips has been given to the player, the cash shall be placed in the table's imprest bank which is the area in the table in which the chips are contained.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:43.01. Procedure for accepting cash at house banked poker table. A dealer who receives currency from a player at a house banked poker table in exchange for chips or coins must do the following:

(1) The currency must be spread on top of the house banked table by the dealer accepting it, in full view of the player;

(2) The amount of currency must be stated by the dealer accepting it; and

(3) Immediately after an equivalent dollar amount of chips, tokens, or coins has been given to the player, the currency must be taken from the top of the house banked poker table and placed by the dealer into the drop box.

Source: 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:16:43.02. Procedure for distribution of chips to house banked poker table. A fill slip must be prepared when chips, tokens, or coins are distributed from the chip bank cashier to the house banked poker table. The fill slip must be at least a two-part carbonless form. Prior to use, access to the fill slips must be restricted to authorized personnel.

Fill slips must be sequentially prenumbered forms and must be used in order. Serial numbers of all fill slips in possession of a retail licensee must be reconciled. All original and duplicate void slips must be marked "VOID" and require the signature of the preparer.

The original and duplicate fill slips must contain the following:

- (1) The date and time;
- (2) The denomination of chips, tokens, and coins;
- (3) The total dollar value for each denomination of chips, tokens, and coins;
- (4) The grand total dollar value of the chips, tokens, and coins;
- (5) The number of the table receiving the chips, tokens, and coins;
- (6) The signature of the chip bank cashier; and
- (7) The signature of the pit boss or runner, if one is employed, who must confirm the fill and sign the fill slip.

After the fill slip has been prepared, a duplicate must be retained by the chip bank cashier.

The original of the fill slip must be signed by the dealer assigned to the house banked poker table to which the chips, tokens, and coins are to be taken.

The original of the fill slip must be deposited in the drop box by the dealer.

Source: 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:16:43.03. Procedure for removing chips or coins from the house banked poker table. A credit slip must be prepared for the removal of chips, tokens, and coins from the house banked poker table to the chip bank cashier. The credit slip must be a two-part carbonless form. Prior to use, access to the credit slip must be restricted to authorized personnel.

Credit slips must be sequentially prenumbered forms and must be used in order. The serial numbers of all credit slips in possession of the retail licensee must be reconciled. All original and duplicate void credit slips must be marked "VOID" and must be signed by the preparer.

A credit slip must be prepared by the dealer, chip bank cashier, or retail licensee whenever chips, tokens, or coins are returned from the house banked poker table to the chip bank cashier.

On the original and duplicate credit slip, the following information must be recorded:

- (1) The date and time;
- (2) The denomination of chips, tokens, or coins;
- (3) The total dollar value for each denomination of chips, tokens, or coins;
- (4) The grand total dollar value of chips, tokens, and coins;
- (5) The table number from which the chips, tokens, and coins are removed;

- (6) The signature of the dealer assigned to the house banked poker table from which the chips, tokens, and coins are removed. After the credit slip has been executed, the original copy of the credit slip must be deposited by the dealer in the house banked poker table drop box; and
- (7) If a pit boss or runner is employed, the pit boss or runner must verify the credit and sign the credit slip.

The duplicate copy of the credit slip must be signed and retained by the chip bank cashier.

Source: 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:16:44. Drop and count procedures. The procedure for the collection of poker drop boxes and the count of their contents must comply with the procedures in §§ 20:18:15:35 and 20:18:15:36 applicable to the blackjack drop boxes.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:44.01. Drop box requirements. Drop box markings must be visible from a distance of at least 20 feet. The container must be locked to the table with a lock separately keyed from the container. For house banked poker games, currency exchanged for chips at the table and all other items or documents relating to transactions at the table must be put into the drop box.

Source: 21 SDR 98, effective November 30, 1994; 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:16:45. Shill procedures. Funds may not be issued to a shill player without written approval of the retail licensee. Return of shill funds must be recorded and verified. The replenishment of shill funds must be documented.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:16:45.01. Restrictions on use of shills and proposition players. The use of shills and proposition players is restricted as follows:

(1) Shills may not check and raise or play in a manner among themselves or in collusion with others to the disadvantage of players in the game;

(2) An establishment employing shills or proposition players must identify them on request and must display a sign clearly legible from each table which states: "South Dakota gaming regulations allow the use of shills and proposition players. Shills and proposition players will be identified by management on request.";

(3) A licensee must maintain employment records on each individual engaged as a skill or proposition player. A list of all skills and proposition players must be maintained at the cashier's cage and must be readily available for inspection;

(4) All advances to and winnings of a skill may be used only for wagering in card games and must be turned into the cashier's cage at the conclusion of play; and

(5) A combination of no more than three skills and proposition players may play in a card game.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994; transferred from § 20:18:21:10, 21 SDR 98, effective November 30, 1994; 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11)(13).

20:18:16:46. Procedure for distributing chips to poker tables. Repealed.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; repealed, 19 SDR 21, effective August 20, 1992.

20:18:16:46.01. Use of lammers. A licensee may use lammers instead of a fill slip when chips are distributed to the table from the poker podium or cage. When lammers are used, the dealer must advise the dealer's supervisor that chips are needed and must ask for a specific amount of chips. The supervisor must obtain the necessary combination of lammers to signify numerically the requested transfer. The lammers must remain in a conspicuous place on the table. After receipt of the lammers, the dealer must remove from the dealer's imprest bank the necessary currency to receive the requested amount of chips. The supervisor must take the currency to the poker podium or cage and obtain the desired numbers of chips in return for the currency. The supervisor must immediately return to the table with the chips and give the chips to the dealer who will check the amount of chips for accuracy. The supervisor must then retrieve the lammers. Lammers must be kept in a secure place accessible only to the persons who supervise the dealers.

Source: 16 SDR 233, effective July 1, 1990; 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11)(13).

20:18:16:46.02. Poker podium procedures. A licensee may establish a poker podium for the purpose of supplying chips and tokens to poker tables in a room that offers player banked poker and for the even exchange of chips and tokens for cash with players. Poker podium specifications must be approved by the executive secretary.

Prior to establishing a poker podium, a licensee must submit to the executive secretary internal controls for the operation of the poker podium and receive the executive secretary's approval.

Source: 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11)(13).

Cross-Reference: Definitions. "Poker Podium", § 20:18:01:01(20).

20:18:16:47. Procedure for removing chips from the poker tables. Repealed.

Source: 16 SDR 57, effective October 1, 1989; repealed, 22 SDR 95, effective January 18, 1996.

20:18:16:48. Statistics. Individual and statistical game records reflecting drop, win, and win-to-drop percentage amounts must be maintained by the licensee.

Statistics for poker and house banked poker must be maintained by shift, by day, cumulative month-to-date, and cumulative year-to-date. The statistics must be presented to the executive secretary monthly.

Source: 16 SDR 57, effective October 1, 1989; 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:16:49. The pickup. In a house banked poker game, all cards on the layout must be picked up by the dealer in such a manner that the cards can be readily arranged to indicate each player's hand in case of any question or dispute.

Source: 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:16:50. Prohibited acts. No poker player or spectator may remove or alter any cards except as provided by this chapter, and no dealer or other employee of the licensee may permit a player or spectator to engage in such activity.

Source: 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:16:51. Player wagering on more than one box. As permitted by the specific house banked poker game rule, a retail licensee may permit a player to wager on more than one box or may limit multiple play during hours when there are insufficient seats in an establishment to accommodate patron demand.

Source: 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

20:18:16:52. Tip bets. Players in house banked poker games may place tip bets if permitted by the specific house rules. A tip bet may not exceed the maximum wager allowed. Once the hand is played, the dealer places all losses to the player in the table tray. If the player wins, the dealer may receive the tip bet as a gratuity. In the case of a push, the tip bet may stand.

Any tip or gratuity given to dealers shall be immediately deposited into a locked tip box or transparent tip tube which is reserved for that purpose.

For exchanging dealer tips to a higher denomination before insertion into the tip box, also referred to as "coloring up," the following requirements shall be met:

(1) A transparent cylinder or tube shall be attached to the table to maintain the chips until "coloring up." The capacity of the cylinder or tube may not exceed twenty-five chips; and

(2) Prior to "coloring up" chips, the dealer shall make the announcement in a voice that can be heard by the table games supervisor that chips are being "colored up." The dealer shall then deposit an equal value of higher denomination chip or chips into the tip box and place the lower denomination chips into the chip tray.

Source: 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

Cross Reference: Push - Exceptions, § 20:18:15:04.

20:18:16:53. Winning combination. A poker player is responsible for correctly computing the winning combination of the player's hand, and no player may rely on the winning combination announced by the dealer.

Source: 46 SDR 11, effective July 29, 2019.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(13).

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CHAPTER 20:18:17

SLOT MACHINE AND SYSTEM REQUIREMENTS

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Declaratory Ruling: The Shufflemaster Table Master game is approved for sale and use in South Dakota as a slot machine and the same is a single game pursuant to South Dakota law and shall be taxed at the rate of a single device. The Commission does further declare and determine that the software application for the Blackjack and Three-Card Poker formats are approved and that further software applicants shall also be approved upon approval by Gaming Laboratories International and the appropriate filing with the South Dakota Commission on Gaming. South Dakota Commission on Gaming Declaratory Ruling dated March 25, 2005.

20:18:17:01. Definitions. Terms used in this chapter mean:

(1) "Leakage current," an electrical current which flows when a conductive path is provided between exposed portions of a slot machine and the environmental electrical ground when the slot machine is isolated from the normal AC power ground;

(2) "Inappropriate coin-in," a coin or token which has been accepted by a slot machine after the slot machine has already accepted the maximum number of coins or when the slot machine is in a state which normally rejects additional coins, sometimes caused by mechanical timing limits in coin handling equipment;

(3) "Par sheet," a document which depicts the possible outcomes from the play of a slot machine, the probability of occurrence of each, and the contribution of each winning outcome to the payback percentage of the slot machine;

(4) "Random access memory," "RAM," the electronic component used for computer work space and storage of volatile information in a slot machine;

(5) "Randomness," the unpredictability and absence of pattern in the outcome of an event or sequence of events;

(6) "Random number generator," a hardware, software, or combination hardware and software device for generating number values that exhibit characteristics of randomness;

(7) "Read only memory," "ROM," the electronic component used for storage of nonvolatile information in a slot machine, including programmable ROM and erasable programmable ROM;

(8) "Tilt condition," a programmed error state for a slot machine which occurs when the slot machine detects an internal error, malfunction, or attempted cheating. The machine ceases processing further input, output, or display information other than that indicating the tilt condition itself;

(9) "Slot machine payout receipt," an instrument that is redeemable for cash and is either issued by a gaming device or as a result of a communication from a gaming device to associated equipment. This voucher cannot be redeemed by insertion into an acceptance device on another slot machine;

(10) "Slot machine wagering voucher," a voucher for credits accumulated on a slot machine which is generated by a printer located internally in a slot machine. This voucher may be redeemed by insertion into an acceptance device on a slot machine;

(11) "Slot machine coupon," a preprinted voucher of predetermined value for redemption of credits. A slot machine coupon may also be accepted into a slot machine to accumulate credits;

(12) "Message Digest," the mathematical results/signature of a hashing algorithm used to authenticate the programming of a slot machine;

(13) "Static jackpot award," the top award of a nonprogressive machine which award remains constant and does not increment based on coin in and which may be funded by a manufacturer upon approval by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; 27 SDR 53, effective December 4, 2000; 36 SDR 22, effective August 18, 2009; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-17, 42-7B-43.

20:18:17:01.01. Operator responsibilities. An operator is responsible for all registration, taxation, and licensing requirements imposed by SDCL 42-7B or this article upon slot machines.

Source: 16 SDR 64, effective October 11, 1989; transferred from § 20:18:22:18, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:17:02. Control program requirements. A slot machine control program must test the slot machine for possible corruption caused by failure of the program storage media. Test methodology must detect 99.99 percent of all possible failures. The ROM must be tested at least once during a game cycle.

The program residing in the slot machine may be contained in a storage medium which is alterable through use of the circuitry or programming of the slot machine itself. If the storage medium is alterable, the following criteria must be met:

(1) The slot machine must authenticate all critical game files including executables, data, and operating system files which may affect the game outcome or operation which reside on the medium. This authentication shall employ a hashing algorithm which produces a message digest output of at least 128 bits;

(2) The message digest must reside on a memory device within the slot machine. Message digests which reside on any medium other than ROM based mediums must be encrypted, using a public/private key algorithm with a minimum of 512 bit key or an equivalent encryption algorithm with similar security approved by the commission;

(3) The slot machine must authenticate all files that affect game play, operation, or outcome upon the device being powered up or the first time the files are loaded, or both. This applies even if the files are partially loaded;

(4) If there is a failed authentication, the slot machine must immediately go into a tilt condition and generate an appropriate log identifying the error with the time and date. This tilt condition shall require attendant intervention. The device must remain in a tilt condition until such time as the proper steps have been taken to remedy the error and all files are authenticated; and

(5) The slot machine must be capable of displaying the message digest of any and all files on demand through the audit mode.

If the storage medium is alterable while residing in the slot machine, it must meet the following criteria in addition to the criteria set forth above:

(1) May only be altered when the logic area has been accessed; and

(2) May only be altered after being enabled to do so by some means approved and controlled by the commission.

The control program must check for corruption of random access memory locations used for crucial slot machine functions, including information relating to the play and final outcome of the ten prior games, random number generator outcome, and any error states. These memory areas must be checked for corruption following game initiation but before display of the game outcome to the player. Detection of corruption is a game malfunction and must result in a tilt condition which identifies the error and causes the slot machine to cease further functions.

Slot machines, other than any existing slot machine licensed by the commission on or before April 30, 2016, until the slot machine is removed from the gaming floor, must have the capacity to display a complete play history for the last ten games played. The display must indicate the game outcome or a representative equivalent, bets placed, credits or coins paid, credits cashed out, and any tilt conditions.

Slot machines which use a bill acceptor must retain in memory and be able to display upon demand the denomination of the last five bills accepted.

Slot machines which use a printer or slot machine wagering voucher acceptor, or both, must retain in memory and be able to display upon demand a dedicated history of the last thirty-five transactions. This history should note at least the following:

- (1) The date and time of the transaction. (The date and time is not required if storage of this information is built into the system's database);
- (2) The value of the transaction; and
- (3) The type of transaction; i.e., cashout, jackpot, or acceptance.

Source: 16 SDR 57, effective October 1, 1989, and July 1, 1991; 19 SDR 177, effective May 27, 1993; 26 SDR 92, effective January 16, 2000; 27 SDR 53, effective December 4, 2000; 28 SDR 24, effective August 28, 2001; 36 SDR 22, effective August 18, 2009; 42 SDR 146, effective May 3, 2016.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-17, 42-7B-43.

20:18:17:03. Meters. A slot machine must have both electronic (soft) meters and electromechanical (hard) meters unless configured to operate on an approved slot management system which provides system meters that may be relied on in lieu of hard meters. Soft meters must have at least eight digits. If present, hard meters must have at least six digits. The slot machine's soft meters, hard meters or system meters must accumulate the same values for coins-in, coins-out, coins-dropped, and jackpots-paid. Slot machine soft meters must accumulate in electronic digital storage and provide the means for on-demand display of the stored information.

The coins-in meter must accumulate all coin, credit, token, paper token, and casino script transactions. The coins-out meter must accumulate all coin, token, credit, paper token, hopper ticket, and casino script transactions paid out by the slot machine's hopper or printer for awards and credits from awards that are wagered. The coins-out meter may include credits that are accumulated on the jackpots-paid meter. The coins-dropped meter must accumulate all coins and tokens that have been diverted into a drop bucket and bills, paper tokens, and casino script accepted by the bill acceptor. The jackpots-paid meter must reflect any single event award that is not paid out by the slot machine's hopper in coins or tokens, except additional payouts and promotional awards. The jackpots-paid meter may also include credits accumulated on the canceled credit meter. The canceled credit meter must accumulate credits paid by means other than payouts from the hopper, printer, bill hopper, or jackpot payouts if the device has such credit provisions. Any slot machine equipped with a bill acceptor must have a bill acceptor soft meter which accumulates the following:

- (1) The total number of bills accepted;
- (2) A breakdown of each denomination accepted; and
- (3) The total dollar amount of bills accepted.

Any slot machine which will accept or dispense hopper tickets, paper tokens, or casino script shall have a soft meter which accumulates the following:

- (1) The total number of hopper tickets printed or casino script dispensed;
- (2) The total value of tickets printed or casino script dispensed;
- (3) The total number of paper tokens or casino script accepted; and

- (4) The total value of paper tokens or casino script accepted.

An operator, using the meters defined in this section, shall be able to calculate hopper load.

A slot machine must be equipped with meters that record the number of times the door was opened to gain access to the slot machine cabinet or bill acceptor. No slot machine may have a mechanism that causes the electronic accounting meters to clear automatically when an error occurs. Clearing of the electronic accounting meters may only be done by approval of the executive secretary. A slot machine's meters must be maintained at all times, regardless of whether the machine is being supplied with power. Meter readings must be recorded before and after the electronic accounting meter is cleared. A licensee must complete SDCGF-38 Gaming Information Form when any electronic accounting meter is cleared.

If so equipped, electromechanical (hard) meters must have an accuracy rate of 99 percent or better. Electronic (soft) meters and system meters must have an accuracy rate of 99.99 percent or better.

Slot machines must be designed so that replacement of parts or modules required for normal maintenance does not require replacement of the electromechanical meters, if so equipped.

Slot machines must have an electronically stored digital meter of at least three digits for the number of plays since "power on" and the number of plays since "door closure." When the maximum value has been reached, the meters must remain at that value until reset by occurrence of the appropriate event. The slot machine must provide the means for on-demand display of the stored information.

Slot machines must have meters continuously displaying the following information relating to the current play or monetary transaction:

- (1) The number of coins or credits wagered;
- (2) The number of coins or credits won, if applicable;
- (3) The number of coins paid by the hopper for a credit cash-out or a direct pay from a winning outcome; and
- (4) The number of credits available for wagering, if applicable.

Electronically stored meter information required by this section must be preserved after a power loss to the slot machine.

Source: 16 SDR 57, effective October 1, 1989; 17 SDR 93, effective January 6, 1991; 21 SDR 98, effective November 30, 1994; 25 SDR 4, effective July 27, 1998; 25 SDR 95, effective January 20, 1999; 27 SDR 53, effective December 4, 2000; 41 SDR 53, effective October 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-17, 42-7B-43.

20:18:17:04. Randomness events. Events in slot machines are occurrences of elements or particular combinations of elements that are available on the particular slot machine. A random event has a given set of possible outcomes, each with a given probability of occurrence. The set of these probabilities is called the distribution. Two events are called independent if the outcome of one has no influence on the outcome of the other. The outcome of one event cannot affect the distribution of another event if the two events are independent.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:05. Basic slot machine specifications. Slot machines must meet the following security and audit specifications:

- (1) Be controlled by a microprocessor;
- (2) Be compatible to on-line data monitoring;
- (3) Have an internal enclosure for the circuit board;
- (4) Be able to continue a game with no data loss after a power failure;
- (5) Have previous and current game data recall as follows:

(a) Game data recall shall provide all information required to fully reconstruct the last ten plays. All values shall be displayed; including the initial credits, credits bet, and credits won, payline symbol combinations and credits paid whether the outcome resulted in a win or loss. This information can be represented in graphical or text format. If a progressive was awarded, it is sufficient to indicate the progressive was awarded and not display the value. This information should include the final game outcome, including all player choices and bonus features. In addition, the results of Double-up or Gamble, if applicable; and

(b) The ten game recall shall reflect bonus rounds in their entirety. If a bonus round lasts x number of events, each with a separate outcome, each of the x events shall be displayed with its corresponding outcome, regardless if the result is a win or loss. The recall shall also reflect position dependent events if the outcome results in an award. Gaming devices offering games with a variable number of free games, per base game, may satisfy this requirement by providing the capability to display the last 50 free games in addition to each base game;

- (6) Have a random selection process that satisfies the 99 percent confidence level using standard chi-squared, runs, and serial correlation tests;
- (7) Clearly display applicable rules of play and the payout schedule;
- (8) Display an accurate representation of each game outcome; and
- (9) Have a complete set of nonvolatile meters including coins in, coins out, coins dropped, number of games played, and jackpots paid.

In addition to the specifications in this section, slot machines must meet the specifications in §§ 20:18:17:06 to 20:18:17:20, inclusive.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 19 SDR 177, effective May 27, 1993; 36 SDR 22, effective August 18, 2009.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:05.01. Slot machine specifications -- Ownership identification. Slot route operators, excluding common retail premise route operators, must affix in a prominent place to each slot machine exposed for play, pursuant to the operator's license or an agreement, a sign or label that identifies the person or persons responsible for repairs or malfunctions of the machine, payments of winnings, and disputes regarding payments.

A licensee may not expose for play a slot machine that fails to display the information required by this section.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:04, 21 SDR 98, effective November 30, 1994; 27 SDR 53, effective December 4, 2000.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(20A), 42-7B-7, 42-7B-11(13), 42-7B-17, 42-7B-43.

20:18:17:06. Slot machine specifications -- Safety requirements. Electrical and mechanical parts and design principles must not subject a player to physical hazards. Spilling a conductive liquid on the slot machine must not create a safety hazard or alter the slot machine's performance. The power supply used in a slot machine must be designed to make minimum leakage of current in the event of an intentional or inadvertent disconnection of the AC power ground. The power supply must be appropriately fused or protected by circuit breakers.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:07. Slot machine specifications -- Surge protector. A surge protector must be installed. A battery backup device must be installed that is capable of maintaining accuracy of required information after power is discontinued from the slot machine. The backup device must be kept within the locked or sealed logic board compartment.

Source: 16 SDR 57, effective October 1, 1989; 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:08. Slot machine specifications -- On and off switch. An on and off switch that controls the electrical current used to operate the slot machine and its associated equipment must be located in an accessible place within the interior of the slot machine.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:09. Slot machine specifications -- Coin acceptors. One electronic coin or token acceptor may be installed in a slot machine. Acceptors must be approved by the executive secretary to indicate that the acceptors meet the requirements of this section. Coin acceptors must be designed to accept or reject a coin on the basis of metal composition, mass, composite, makeup, or equivalent security. The coin or token receiver on a slot machine must be designed to prevent the use of cheating methods such as slugging, stringing, spooning, or the insertion of foreign objects and other manipulation.

Coins or tokens which are accepted but are inappropriate "coins-in" must be returned to the player by activation of the hopper or credited toward the next play of the slot machine. The slot machine control program must be capable of handling rapidly fed coins so that occurrences of inappropriate "coins-in" are prevented.

The coin receiver of a slot machine must have an optical or other suitable detector for determining the direction of coin travel in the receiver. If a coin traveling at improper speed or direction is detected, the slot machine must enter an error condition and display an error condition for at least 30 seconds or be cleared by an attendant.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992; 20 SDR 113, effective January 23, 1994; 28 SDR 84, effective December 20, 2001.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:09.01. Slot machine specifications -- Bill acceptors. A slot machine may contain a bill acceptor for one-dollar bills, five-dollar bills, ten-dollar bills, twenty-dollar bills, fifty-dollar bills, and one hundred-dollar bills. A bill acceptor may be for any single bill or combination of bills. A bill acceptor may also accept slot machine wagering vouchers and slot machine coupons. Each bill acceptor must be tested by a game laboratory designated by the executive secretary. Each bill acceptor must be approved by the executive secretary. The person seeking approval must bear the cost of testing. An approval letter and test reports regarding a bill acceptor from other state or federal jurisdictions may be submitted to the commission for consideration. Each bill acceptor stacker must be lockable with a completely self-contained separate lock. Each bill acceptor must use a serial mode of interface to communicate with the slot machine. Each bill acceptor must function in such a manner that no credit may be given to the player until the slot machine receives the "stack or vend" signal from the bill acceptor stacker.

Source: 20 SDR 113, effective January 23, 1994; 25 SDR 4, effective July 27, 1998; 27 SDR 53, effective December 4, 2000; 36 SDR 22, effective August 18, 2009.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:10. Slot machine specifications -- Automatic light -- Alarm. A light must be installed on the top of the slot machine that automatically illuminates when the door to the slot machine is opened or when associated equipment that may affect the operation of the slot machine is exposed.

If bar-top slot machines are operated, an audio door alarm must be installed. The alarm must be designed to activate when the machine is entered.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:11. Slot machine specifications -- Access to interior. The internal space of a slot machine may not be readily accessible when the door is closed.

Logic boards, read only memory, and random access memory must be in a separate locked or sealed area within the slot machine. No access to this area is allowed without prior notification to and approval of the executive secretary. The executive secretary must be allowed immediate access to the locked or sealed area. An operator must give the executive secretary a master key to the door of an approved prototype slot machine. Unauthorized tampering or entrance into the logic area without prior notification is grounds for disciplinary action. If the logic board area is sealed, it must be sealed with a seal furnished by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992; 25 SDR 4, effective July 27, 1998.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-3, 42-7B-7, 42-7B-17, 42-7B-43.

20:18:17:12. Slot machine specifications -- Hardware switches. Hardware switches which alter the pay tables or payout percentages in the operation of a slot machine may not be installed. Hardware switches may be installed to control graphic routines, speed of play, sound, regular play mode to tournament mode, and other commission approved cosmetic play features.

Source: 16 SDR 57, effective October 1, 1989; 22 SDR 189, effective July 11, 1996.

General Authority: SDCL 42-7B-7, 42-7B-11.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-17, 42-7B-43.

20:18:17:13. Slot machine specifications -- Display of rules of play. The rules of play for a slot machine must be displayed on the slot machine face or screen. Rules of play must have approval of the executive secretary. The executive secretary may reject the rules if they are incomplete, confusing, or misleading. Rules of play must be kept under glass or another transparent substance. Stickers or other removable devices may not be placed on the slot machine face unless their placement is approved or required by the executive secretary or the commission.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:14. Slot machine specifications -- Electrostatic discharges. Electrical and mechanical parts and design principles must not subject the player to physical hazards.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:15. Slot machine specifications -- Power supply filter. Slot machine power supply filtering must be sufficient to prevent disruption of the slot machine by repeated switching on and off of the AC power.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:16. Slot machine specifications -- Tilt conditions -- Automatic clearing. Slot machines must be capable of detecting and displaying the following conditions, which must be automatically cleared by the slot machine upon initiation of a new play sequence:

- (1) Power reset;
- (2) Door open;
- (3) Door just closed; and
- (4) Inappropriate coin-in.

Source: 16 SDR 57, effective October 1, 1989; 28 SDR 24, effective August 28, 2001.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13), 42-7B-43.

20:18:17:17. Slot machine specifications -- Tilt conditions -- Clearing by attendant. Slot machines must be capable of detecting and displaying the following tilt conditions which an attendant may clear:

- (1) Coin-in jam;
- (2) Coin-out jam;
- (3) Hopper empty or timed-out;
- (4) RAM error;
- (5) Program error;
- (6) Hopper runaway or extra coin paid out;
- (7) Reverse coin-in;
- (8) Reel spin error of any type, including a mis-index condition for mechanical reels. The specific reel number must be identified in the error indicator;

- (9) In the final positioning of a reel, if the position error exceeds one-half of the width of the smallest symbol including blanks on the reel strip;
- (10) Low RAM battery, for batteries external to the RAM itself, or low power source;
- (11) Program error or authentication mismatch;
- (12) Stacker full. (The bill acceptor must disable itself to accept no more bills. The slot machine may not generate an explicit, stacker full, error message when the stacker is full); and
- (13) Paper low.

A description of slot machine error codes in § 20:18:17:16 and this section and the meanings of such error codes must be affixed inside the slot machine. Hard meter readings must be recorded if the RAM is cleared.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 16 SDR 57, effective July 1, 1991; 27 SDR 53, effective December 4, 2000; 28 SDR 24, effective August 28, 2001; 36 SDR 22, effective August 18, 2009.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:18. Slot machine specifications -- Hopper mechanism. If supported, slot machines must be equipped with a hopper which is designed to detect jammed coins, extra coins paid out, hopper runaways, and hopper empty conditions. A hopper may also include a printer. The slot machine control program must monitor the hopper mechanism for these errors in all game states. All coins or tokens paid from the hopper mechanism must be accounted for by the slot machine, including those paid as extra coins during a hopper malfunction. Hopper pay limits must be designed to permit compliance by licensees with taxation laws and regulations.

Source: 16 SDR 57, effective October 1, 1989; 27 SDR 53, effective December 4, 2000; 28 SDR 24, effective August 28, 2001; 36 SDR 22, effective August 18, 2009.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:18.01. Slot machine specifications -- Printers. Slot machine wagering vouchers or slot machine payout receipts printed by a slot machine's printer or as a result of a communication from a gaming device to associated equipment for payment of redeemable credits to a patron shall include the following:

- (1) The value of the credits redeemed in U.S. dollars in numerical form;
- (2) The name of the casino issuing the slot machine wagering voucher or slot machine payout receipt;
- (3) The time of day the slot machine wagering voucher or slot machine payout receipt was printed in twenty-four hour format showing hours and minutes;
- (4) The date the slot machine wagering voucher or slot machine payout receipt was printed showing day, month, and year;
- (5) The expiration date of the slot machine wagering voucher or slot machine payout receipt;
- (6) A number identifying the slot machine that generated the slot machine wagering voucher or slot machine payout receipt;
- (7) A unique validation number or bar code;

- (8) A description of any restrictions on the redemption of the slot machine wagering voucher or slot machine payout receipt; and
- (9) Security features that limit the ability to counterfeit.

If a slot machine payout receipt is printed for payment of a jackpot, the slot machine payout receipt shall be manually redeemed. The slot machine shall lock up and an attendant shall acknowledge the lockup before the slot machine payout receipt is dispensed to the patron.

Source: 27 SDR 53, effective December 4, 2000; 36 SDR 22, effective August 18, 2009.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:18.02. Slot machine specifications -- Bill hoppers. Repealed.

Source: 27 SDR 53, effective December 4, 2000; repealed, 36 SDR 22, effective August 18, 2009.

20:18:17:18.03. Slot machine specifications--Player identification components. A player identification component is software, hardware, or both used with a slot machine and supports a means for players to provide identification information, the source of funds, or both. Player identification components include:

- (1) Card readers which must be electronically based and be able to detect the use of a valid card;
- (2) Barcode readers which must be able to associate the barcode visible on a card, wagering voucher, or an approved software application on a player's device, as applicable, with data stored in an external database to identify an account association, or for redemption; and
- (3) Biometric scanners which must be able to associate a person's physical characteristics with those recorded within an external database to authenticate the identity of a player for account association, or for redemption.

Player identification components must be constructed in a manner that ensures proper handling of inputs and protects against vandalism, abuse, or fraudulent activity. Player identification components must be designed to prevent manipulation that may impact integrity and must provide a method to enable the software to interpret and act appropriately upon a valid or invalid input. A method for detection of counterfeiting must be implemented.

Player identification component hardware must be secured in a locked enclosure or sealed casing or located within a locked area of the slot machine outside of any logic area that requires opening of the main door for access. Only the areas of the component that require physical interaction may be accessible to the player.

The slot machine must have mechanisms to interpret and act upon an error condition related to any communication failure or other malfunction of any player identification component. If a player identification component error condition is identified, the slot machine must display an appropriate error message and disable the player identification component.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:18.04. Slot machine specifications--Wireless devices. Communication between a slot machine and any wireless devices that are conducted using transmission technologies must:

(1) Utilize secure communication methods to prevent unauthorized access to sensitive information by unintended recipients;

(2) Detect data corruption and upon detection, either correct the error, or terminate the communication while providing a suitable error message;

(3) Employ a method to prevent unauthorized modification of information that impacts device integrity or that represents secure player data; and

(4) Only be possible with authorized wireless devices.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:19. Slot machine specifications--Communication protocol. A slot machine that is capable of bi-directional communication with internal or external associated equipment must use a communication protocol that ensures erroneous data or signals will not adversely affect the operation of the slot machine.

The slot machine may not allow any information contained in communication to or from the system that is intended to be protected, or that is of a sensitive nature, to be viewable through any display mechanism supported by the device.

Source: 16 SDR 57, effective October 1, 1989; 48 SDR 14, August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2, 42-7B-2.1(1), 42-7B-4, 42-7B-7, 42-7B-43.

20:18:17:20. Slot machine specifications -- Credits. Collectible credits may be accumulated from wins or from coin or token acceptance if the slot machine uses a coin or token acceptor that accepts or rejects on the basis of the metallic composition of the coins being used. The maximum number of credits which may be applied to any wager on a slot machine may not exceed one thousand dollars.

Source: 16 SDR 57, effective October 1, 1989; 27 SDR 53, effective December 4, 2000; 27 SDR 73, effective January 30, 2001; 28 SDR 24, effective August 28, 2001; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-14.

20:18:17:21. Software requirements for randomness testing. A slot machine must have a random number generator. A selection process is considered random if the following specifications are met:

(1) A reel satisfies at least 98 percent confidence level using the standard chi-squared analysis. Chi-squared analysis is the sum of the squares of the difference between the expected result and the observed result. A reel is a physical or animated strip with symbols attached that rotates and stops;

(2) A reel stop position does not produce a statistic with regard to producing patterns of occurrences. Each reel position is considered random if it meets at least the 98 percent confidence level with regard to the runs test or any similar pattern testing statistic. The runs test is a mathematical statistic that determines the existence of recurring patterns within a set of data;

(3) A reel position is independently chosen without regard to any other symbol produced during that play. This test is the correlation test. Each pair of reels is considered random if they meet at least the 98 percent confidence level using standard correlation analysis;

(4) Each reel position is independently chosen without reference to the same reel stop position in the previous game. This test is the serial correlation test. A reel stop position is considered random if it meets at least the 98 percent confidence level using standard serial correlation analysis;

(5) The random number generator and random selection process must be impervious to influences from outside the slot machine, including electromagnetic interference, electrostatic interference, and radio frequency interference. A slot machine must use appropriate communication protocols to protect the random number generator and random selection process from influence by associated equipment which is conducting data communications with the slot machine;

(6) If a slot machine uses more than one similar physical or video component to portray either motion or a random selection process, the symbols on each separate component are selected independently and randomly.

Source: 16 SDR 57, effective October 1, 1989; 22 SDR 189, effective July 11, 1996.

General Authority: SDCL 42-7B-7, 42-7B-11.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-17, 42-7B-43.

20:18:17:22. Software requirements for percentage payout. The slot machine must meet the following minimum theoretical percentage payouts during the expected lifetime of the slot machine:

(1) The slot machine must pay out at least 80 percent. The theoretical payout percentage is determined using standard methods of probability theory; and

(2) A slot machine must have a probability of 50,000,000-to-1 or better of obtaining the maximum posted payout on the machine. This rule does not apply to a theoretical winning amount that may be won as a result of playing a series of free games which was the result of a previous award.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994; 22 SDR 189, effective July 11, 1996; 25 SDR 4, effective July 27, 1998; 25 SDR 172, effective July 11, 1999; 31 SDR 165, effective May 10, 2005; 33 SDR 63, effective October 18, 2006.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-17, 42-7B-43.

20:18:17:23. Software requirements for continuation of game after malfunction. A slot machine must be capable of continuing the current play with all current play features after a slot machine malfunction is cleared.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:24. Progressive slot machines defined. A progressive slot machine is a slot machine with a payoff that increases as the slot machine is played. The awarding of this payoff shall be directly tied to a winning combination on the pay table of the machine. The initial amount of a progressive jackpot must begin at or above the top award for that particular slot machine software program. A mystery progressive slot machine operates similarly to a progressive slot machine except the awarding of the payoff is not tied to a winning combination on the pay table.

A progressive jackpot may be transferred to another progressive slot machine at the same location in the event of slot machine malfunction or replacement or for other good reason. When the maximum jackpot limit is reached, it must be permitted to remain until it is won by a player.

Records must be maintained that record the amount shown on a progressive jackpot meter. Supporting documents must be maintained to explain any reduction in the payoff amount from a previous entry. The records and documents must be retained for a period of three years unless permission to destroy them earlier is given by the executive secretary in writing. A progressive slot machine, upon written permission by the executive secretary, may be moved to a different licensed location if a bankruptcy, loss of license, or other good cause warrants.

The slot machine must be linked to a meter showing the payoff which is visible to all players who are playing a machine which may potentially win the progressive amount. This meter is the progressive meter. When a licensee offers a progressive jackpot as part of the slot machine payout, the amount of the payout may not be included in the theoretical payout percentage for purposes of satisfying the minimum payout requirements as specified in § 20:18:17:22.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 19 SDR 195, effective June 21, 1993; 27 SDR 53, effective December 4, 2000; 29 SDR 107, effective February 2, 2003; 40 SDR 121, effective January 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13).

20:18:17:24.01. Linked machines. Each device on the link shall have the same probability of winning the progressive jackpot, adjusted for the denomination played. For instance, the

probability shall remain the same for multiple denomination games based on the monetary value of the wager.

If all gaming devices connected to a link progressive system do not offer the same maximum bet value, all such gaming devices must equalize the expected value of winning the progressive jackpot by setting the odds of winning the progressive jackpot in proportion to the amount wagered on each device, or by requiring the same wager value on each device to win the progressive jackpot. The method of equalizing the expected value of winning the progressive jackpot shall be conspicuously displayed on each device connected to the system.

A variance of no greater than .005% from the target value established for the mixed maximum bet progressive Multi-Link system is acceptable.

Source: 16 SDR 233, effective July 1, 1990; 28 SDR154, effective April 17, 2002; 36 SDR 22, effective August 18, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-11, 42-7B-43.

20:18:17:24.02. Monitoring of progressive slot machines and meter sign reconciliation.

During the normal mode of progressive slot machines, the progressive controller must continuously monitor each machine on the link for inserted coins and must multiply the coins by the rate of progression in order to determine the correct amounts to apply to the progressive jackpot. The progressive display must be constantly updated as play on the link is continued.

On a weekly basis the operator shall record and document the sign amounts currently displayed for each progressive top award jackpot. This may be done by licensed gaming staff or accounting. Documentation must be forwarded to accounting for review. If the displayed sign value has decreased from prior recorded sign value, accounting will complete a meter-to-sign reconciliation to ensure the jackpot reset occurred correctly and that the displayed sign incremented accurately.

On a quarterly basis the operator shall confirm and document that proper communication was maintained on each slot machine linked to a progressive controller by either documenting a physical coin-in test or by a meter-to-sign reconciliation.

If after completing the required test a variance between the actual and expected progressive amount exceeds fifty dollars, the operator shall attempt to identify any patron that was underpaid and pay the patron the additional amount. If each patron cannot be identified, the operator shall increase the progressive sign amount by the amount of the variance. The operator is required to notify the commission of any variance that exceeds fifty dollars.

Weekly and quarterly procedures are not required for:

(1) Wide area progressive jackpots managed by licensed manufacturers; or

(2) Slot machines which have progressive functionality configured or embedded software within the slot machine's controlled program storage area.

All testing documentation shall be maintained for three years.

Source: 16 SDR 233, effective July 1, 1990; 21 SDR 98, effective November 30, 1994; 37 SDR 70, effective October 20, 2010; 40 SDR 121, effective January 6, 2014; 42 SDR 146, effective May 3, 2016.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:17:24.03. Requirements for progressive controller. Each progressive controller linking progressive slot machines must be housed in a double-keyed compartment. The executive secretary or a designee must be in possession of one of the keys. A person may not have access to a controller without notice to the executive secretary. There must be a progressive entry authorization log within each controller and the log must be completed by any person gaining entrance to the controller. The log must be entered on a form provided by the executive secretary. Mystery progressive controllers are not required to be housed in a double-keyed compartment unless the mystery jackpot increments to an award greater than \$150.

Source: 16 SDR 233, effective July 1, 1990; 27 SDR 53, effective December 4, 2000; 29 SDR 107, effective February 2, 2003.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13), 42-7B-17, 42-7B-43.

20:18:17:24.04. Progressive jackpot. If a progressive jackpot is recorded on a progressive slot machine which is linked to the progressive controller and more than one machine is linked to the controller, the progressive controller must identify the machine that caused the progressive meter to activate and it must display the winning progressive amount.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:17:24.05. Multiple linkage of progressive slot machine. If more than one progressive slot machine is linked to the progressive controller, the progressive controller may automatically reset to the minimum amount and continue normal play only if the progressive meter displays the following information:

- (1) The identity of the machine that caused the progressive meter to activate;
- (2) The winning progressive amount; and
- (3) The new normal mode amount that is used by the other players on the link.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:17:24.06. Alternating displays. If this chapter prescribes multiple items of information to be displayed on a slot machine, it is sufficient to have the information displayed in an alternating fashion.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:17:24.07. Progressive meter information. A progressive meter or controller must keep the following information in nonvolatile memory which shall be displayed upon demand:

- (1) The number of progressive jackpots won on each progressive meter if the progressive display has more than one winning amount;
- (2) The cumulative amounts paid on each progressive meter if the progressive display has more than one winning amount;
- (3) The maximum amount of the progressive payout for each meter displayed;
- (4) The minimum amount or reset amount of the progressive payout for each meter displayed;
- (5) The rate of progression for each meter; and
- (6) The progressive jackpot sum for the machine on which the jackpot was won.

Source: 16 SDR 233, effective July 1, 1990; 18 SDR 9, effective July 23, 1991; 21 SDR 98, effective November 30, 1994; 38 SDR 172, effective April 23, 2012.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13).

20:18:17:24.08. Separate software meter for a progressive slot machine. In addition to the metering requirements in § 20:18:17:03, each device attached to one or more progressive slot machine meters must have a separate software meter that counts the number of times each progressive meter is activated.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:17:24.09. Separate key and key switch for resetting progressive meters. Each machine must have a separate key and key switch to reset the progressive meter or meters or another reset mechanism that has the approval of the commission.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:17:24.10. Limits on jackpot of progressive slot machines. A licensee may impose a limit on the jackpot of a progressive slot machine if the limit imposed is greater than the possible maximum jackpot payout on the slot machine at the time the limit is imposed. The licensee must inform the public with a prominently posted notice of progressive slot machines with the limits.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:17:24.11. Annuities. Payments of large progressive or static jackpots exceeding \$100,000 for twenty-five cent and one dollar devices and exceeding \$20,000 for five cent devices may be paid in annual equal installments over a period of not more than 25 years or as otherwise approved by the executive secretary. A slot machine paying by annuity must have a notice prominently posted on it that the jackpot will be paid over time, the number of payments, and the time interval between the payments. The first payment must take place immediately after verification of the jackpot.

Source: 16 SDR 233, effective July 1, 1990; 19 SDR 21, effective August 20, 1992; 23 SDR 227, effective July 1, 1997; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:17:24.12. Security for payment of annuity, cash, or other prize with cash value exceeding \$100,000. A licensee who is liable for payment of an annuity, cash, or other prize with a cash value exceeding \$100,000 must secure the amount of the annuity, cash, or other prize by a cash deposit, a performance bond, or a security instrument nationally recognized in the gaming industry or satisfy the minimum bankroll requirements set forth in § 20:18:12.01:14.

Source: 16 SDR 233, effective July 1, 1990; 19 SDR 21, effective August 20, 1992; 21 SDR 98, effective November 30, 1994; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:17:24.13. Discontinuance of progressive slot machine -- Transfer of progressive prizes. A licensee may not discontinue a progressive slot machine until all of the advertised progressive amounts or prizes, or both, have been awarded. If a business closes permanently the progressed amount must be transferred to another licensee, subject to the approval of the executive secretary. The amount of the progressed liability must be paid to the licensee assuming the progressive amount by certified check. The executive secretary may approve transfer of a progressive amount or prize, or both, from a progressive slot machine to another progressive device which is lawfully licensed by the same or another licensee.

Source: 16 SDR 233, effective July 1, 1990; 19 SDR 21, effective August 20, 1992; 22 SDR 95, effective January 18, 1996.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-25, 42-7B-26.

20:18:17:24.14. Central controlling and accounting systems. A licensed manufacturer or distributor may supply a licensed operator with a communications service that would interlink progressive slot machines and related equipment in the city of Deadwood, or any other location within or outside South Dakota authorized by law in the jurisdiction where such slot machines and related equipment is located, and may manage and monitor the accounting, collection, and disbursement of progressive payouts. The system must be approved by the commission.

Source: 16 SDR 233, effective July 1, 1990; 40 SDR 121, effective January 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:17:24.15. Performance bond. The commission may require a performance bond from any manufacturer or distributor that applies to furnish a central controlling and accounting system for slot machines or fund any machine with a static jackpot award. The bond must be an amount necessary to secure the static jackpot award or integrity of the service to be provided.

Source: 16 SDR 233, effective July 1, 1990; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:17:24.16. Cash requirements. Unless the commission has approved the payment of prizes by annuity, a licensee who has a progressive slot machine must maintain a minimum cash reserve equal to the total of all progressive slot machine jackpots that may be won at the location. The commission must approve all such cash reserves.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:17:24.17. Requirements apply to single machines. The requirements of this chapter are intended to apply equally to one progressive slot machine linked to a progressive controller as well as several progressive slot machines linked to one progressive controller. The executive secretary may grant waivers in order that both single slot machines and multiple slot machines linked to a progressive controller may meet the requirements of this chapter.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:17:24.18. Defaults. In the event of a bankruptcy or discontinuance of a licensee, the commission may transfer a progressive slot machine to another location making sure to maintain the integrity of the amount shown on the progressive meter.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-20, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-27.

20:18:17:25. Drop bucket. The drop bucket of a slot machine must be housed in a locked compartment separate from other compartments of the slot machine.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:26. Keys to drop bucket. The key to the compartment securing the drop bucket must be maintained and controlled by the licensed operator. Removal of keys is permissible after entry is made into a log book maintained for this purpose. The log book must show the signature of the person to whom the key was issued, the signature of the person authorizing the issuance, the date and time issued, and the date and time replaced. The executive secretary may authorize other methods of key control that provide comparable security.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:27. Slot machine keys. Keys to a slot machine or a connected device which may affect the operation of the slot machine must be maintained in a secure place. The responsibility for maintaining the keys lies with the operator.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:28. Jackpot payouts and hand pays. If a slot machine is unable to drop sufficient coins for payment of jackpots and hand pays, the payment must be made by the operator or manufacturer who owns the machine.

The jackpot payout slip must be a three-part carbonless form if the operator does not utilize a slot management system and a two-part carbonless form if the operator utilizes a slot management system. Prior to use, access to the jackpot payout slip shall be restricted to authorized personnel.

Jackpot payout slips must be sequential prenumbered forms and must be used in order. Serial numbers of all jackpot payout slips in possession of a retail licensee or operator must be reconciled.

All original and duplicate void slips must be marked "VOID" and require the signature of the preparer.

Jackpot payout slips must be prepared containing the following information:

- (1) The location;
- (2) The date;
- (3) The time of day;
- (4) The slot machine number;
- (5) The reel symbols displayed on the slot machine;
- (6) The amount of the jackpot payout in numeric and alpha form; and
- (7) The signature of the support or key licensee or operator making the payment and the signature of at least one other operator or support licensee attesting to the accuracy of the form.

After the jackpot payout or hand pay slip has been prepared, the original jackpot payout slip must be delivered to the accounting department of the licensed operator who owns the machine to be used in the calculation of slot wins. The second part of the jackpot payout slip must be retained by the cage cashier. The third part of the jackpot payout slip must be dropped into the accounting paperwork lock box or retained in a locked dispensing machine. Jackpot payout procedures must have the approval of the executive secretary.

This rule does not apply to the disbursement of progressive payouts pursuant to § 20:18:17:24.14.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 19 SDR 21, effective August 20, 1992; 19 SDR 177, effective May 27, 1993; 20 SDR 113, effective January 23, 1994; 22 SDR 95, effective January 18, 1996; 27 SDR 53, effective December 4, 2000; 38 SDR 172, effective April 23, 2012; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-17, 42-7B-43.

20:18:17:28.01. Required tax record. When a retail licensee pays a jackpot exceeding \$1,199.99, it must complete the form W-2G furnished by the United States Internal Revenue Service. A copy of this form must be maintained by the retail licensee. If the patron who won the jackpot refuses to provide the information necessary to complete the form, the licensee must withhold the sum required by the IRS.

Source: 18 SDR 9, effective July 23, 1991; 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:28.02. Publication of payoffs. Payoff schedules applicable to every licensed game or slot machine must be displayed at all times either on the table or machine or in a conspicuous place immediately adjacent to it.

Payoff schedules must accurately state actual payoffs applicable to the particular game and may not be worded in a manner which misleads or deceives the public. Maintenance of misleading or deceptive matter on a payoff schedule or failure on the part of a licensee to make payment in strict accordance with posted payoff schedules is grounds for disciplinary action.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:02, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:17:28.03. Awards in addition to or in lieu of jackpot. Awards offered in addition to or in lieu of the jackpot of a slot machine must be equal to or exceed the value of the jackpot as reflected in the payout table of the par sheet for the personality program.

If the offered award's value is greater than the jackpot, the par sheet must be changed to reflect the theoretical hold percentage with the additional award.

Source: 21 SDR 98, effective November 30, 1994; 25 SDR 172, effective July 11, 1999.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-17, 42-7B-43.

20:18:17:28.04. Discontinuance of prizes. A licensee may not discontinue a prize awarded in excess of the amount on the glass of the slot machine unless the licensee gives notice to the public or unless the prize is awarded. The notice must be given for at least 60 days prior to the discontinuance, must state the date of the discontinuance, and must be posted at an area visible to the public. Intent to discontinue a prize must be forwarded to the executive secretary and approval obtained from the executive secretary before giving notice.

Source: 18 SDR 9, effective July 23, 1991; transferred from § 20:18:21:20, 21 SDR 98, effective November 30, 1994; 22 SDR 95, effective January 18, 1996.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11.

20:18:17:29. Slot machine drop procedures. The slot machine drop must be performed by a minimum of two persons.

As a slot machine is opened, the drop buckets must be tagged with the respective slot machine number. The slot machine drop bucket must be transported directly to an area approved by the executive secretary for the counting. The contents of the drop box must either be weighed or electronically counted at that time. Weighing and counting devices must be calibrated for accuracy.

Source: 16 SDR 57, effective October 1, 1989; 22 SDR 95, effective January 18, 1996.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-17, 42-7B-43.

20:18:17:30. Count team. The count must be performed by a count team of at least two persons.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:31. Meter count procedures. Repealed.

Source: 16 SDR 57, effective October 1, 1989; repealed, 16 SDR 233, effective July 1, 1990.

20:18:17:32. Count room procedures. Coins must be wrapped as soon as possible after being counted. A count team member must independently count the wrapped coins and reconcile them with the electronic count or weight and with the meter count.

A slot machine count team member must prepare a summary report showing the results by denomination. Any discrepancy between the count and the wrapped coins must be investigated immediately and explained on the summary report.

After completion of the count, all persons participating must sign the report to attest to the accuracy of the amount recorded and procedure performed.

All corrections on slot machine count documentations must be made by crossing out the error and entering the correct figure and by obtaining the initials of at least two slot machine count team members. The wrapped coins must be transported to a secure storage area after the completion of the count and wrap.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 38 SDR 172, effective April 23, 2012.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-14(21), 42-7B-17, 42-7B-43.

20:18:17:33. Theoretical hold -- Actual hold. Slot machine electronic meter readings must be recorded each time the coins are removed from the drop and electromechanical meters must be recorded at least monthly. The records must be retained for at least three years. Slot machine analysis reports which compare the current month and at least quarter to date actual hold to theoretical hold must be prepared monthly and retained for at least three years.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 177, effective May 27, 1993; 25 SDR 172, effective July 11, 1999; 40 SDR 121, effective January 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:17:34. Machine repair requirements. The slot machine hopper loads and coins in the drop buckets must be secured and accounted for during the removal and maintenance of slot machines.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:35. Slot machine fill procedures. A fill slip must be prepared whenever funds are distributed to a slot machine. The fill slip must be a three-part carbonless form if the operator does not utilize a slot management system and a two-part carbonless form if the operator utilizes a slot management system. Prior to use, access to the fill slip shall be restricted to authorized personnel.

Fill slips must be sequential prenumbered forms and must be used in order. Serial numbers of all fill slips in possession of a retail licensee or operator must be reconciled. All original and duplicate void slips must be marked "VOID" and require the signature of the preparer.

The fill slips must be prepared containing the following information:

- (1) The location;
- (2) The date;
- (3) The time of day;
- (4) The slot machine number;
- (5) The amount of the fill in numeric and alpha form; and
- (6) The signature of the support or key licensee or operator making the fill and the signature of at least one other operator or support licensee attesting to the accuracy of the form.

After the fill slip has been prepared, the original must be given to accounting by the operator. The second part of the fill slip must be retained by the cage cashier. The third part of the fill slip must be dropped into the accounting paperwork lock box or retained in a locked dispensing machine. Fill procedures must have the approval of the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 27 SDR 53, effective December 4, 2000; 38 SDR 172, effective April 23, 2012.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:36. Executive secretary approval of slot machine and device stamp transfers. The executive secretary may approve the sale or transfer of slot machines and device stamps between licensed operators if the licensee requesting the sale or transfer submits a request in writing before the transfer. The request must contain the name and address of all licensed operators involved in the transaction and the identification number and commission stamp number of all devices to be exchanged or sold. The executive secretary may disapprove the request if the licensee fails to comply with this section or if in the executive secretary's discretion the sale or transfer could affect the integrity of gaming.

The executive secretary shall inform the commission of the approval or disapproval of the requested transfers at the commission's next meeting. If the executive secretary disapproves a

request for transfer, the executive secretary must notify the commission of the reason for disapproval.

Source: 23 SDR 227, effective July 1, 1997.

General Authority: SDCL 42-7B-7, 42-7B-11.

Law Implemented: SDCL 42-7B-11(15).

20:18:17:37. Multiple player slot machines. A retail licensee which licenses less than 30 gaming devices may install one slot machine designed and manufactured for play by more than one customer at a time provided such retail licensee maintains no fewer licensed gaming devices than licensed by the retail licensee as of June 1 of the preceding license year. For the license year ending June 30, 1999, the determination of the number of gaming devices licensed in the preceding year is June 30, 1999, instead of June 1. A retail licensee which licenses 30 gaming devices may install, in any combination, up to 30 single player or multiple player slot machines.

Source: 25 SDR 4, effective July 27, 1998; 26 SDR 47, effective October 13, 1999.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-11(13), 42-7B-16, 42-7B-43.

20:18:17:38. Use of slot machine payout receipts and slot machine wagering vouchers. Slot machines designed to dispense slot machine payout receipts or slot machine wagering vouchers must be a part of a slot monitoring system. Slot machines designed to accept slot machine wagering vouchers must be equipped with an acceptor that uses serial communication with the slot machine's processor. The slot monitoring system shall validate all slot machine wagering vouchers before accepting and stacking them. Credits may only be issued to the slot machine through the slot monitoring system after accepting and stacking the slot machine wagering vouchers. The slot monitoring system must maintain a record of each slot machine payout receipt and slot machine wagering voucher dispensed or accepted. Once a slot machine wagering voucher is validated and accepted by the slot monitoring system it is prohibited from again accepting the same slot machine wagering voucher and must be retained for a minimum of 90 days. Wagering voucher may be destroyed after 90 days if record of the transaction is retrievable from the slot management system voucher reports.

All credits issued from validated slot machine wagering vouchers must be capable of either being played or cashed out.

If communications between a slot machine or a slot machine interface component and a system are lost, the slot machine or the slot machine interface component may continue to issue slot machine wagering vouchers and slot machine payout receipts provided that, printed on the instrument, there is an authentication code derived by a HASH, or other secure encryption method of at least 128 bits, that must: uniquely identify the slot machine wagering voucher or slot machine payout receipt, verify that the redeeming system was also the issuing system, and validate the amount of the voucher. If a suitable authentication code is not printed on the voucher, the system must print at most one slot machine wagering voucher or slot machine payout receipts after the gaming device or gaming device interface component to system communications have been lost.

Source: 27 SDR 53, effective December 4, 2000; 28 SDR 24, effective August 28, 2001; 36 SDR 22, effective August 18, 2009; 38 SDR 172, effective April 23, 2012.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:17:39. Cashless wagering systems -- Defined. A cashless wagering system allows players to participate in cashless wagering using an approved, securely protected authentication method, that accesses a wagering account at the cashless wagering system of the operator or another account of the player, if it allows for the identification of the player and the source of funds and it is linked in a secure manner to the cashless wagering system of the operator and the wagering account on the cashless wagering system.

A cashless wagering system may also support the functionality to communicate promotional awards to participating wagering accounts based upon predefined player activity criteria established by the system. Promotional awards are additional features that entitle players to special promotional awards based on patrons play activity or awards gifted by the casino to guests. As used in this chapter, the term "cashless" must be used to refer to both promotional and non-promotional functionality.

If the cashless wagering system is comprised of multiple computer systems at various sites, the system as a whole and all communication between its components shall conform to the applicable technical requirements within this chapter.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:39.01. Certification testing. Prior to conducting cashless wagering, all equipment and systems, integral to the conduct of cashless wagering must be submitted by the system's vendor to a commission designated independent testing laboratory.

The laboratory shall test the integrity of the system in conjunction with cashless devices in a laboratory setting with the equipment assembled.

The commission may require additional on-site evaluation, where the communications and set-up are tested on the casino floor prior to implementation and periodically as required by the commission.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:40. Devices in a cashless environment -- Definition of cashless device. The requirements of §§ 20:18:17:40.01 through 20:18:17:40.07 apply to cashless devices. The term cashless device means any slot machines, kiosks, and any other equipment using a cashless environment.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:40.01. Configuring cashless transactions. A cashless device may not allow the configuration of cashless transactions unless performed via a secure means.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:40.02. Audit trails for cashless transactions. A cashless device must have the ability to recall the last 35 cashless transactions that increased any of the meters listed in § 20:18:17:40.03. Cashless transactions may be recorded in a larger log that also contains records of other types of transactions. The following information must be displayed:

- (1) The type of transaction and restrictions;
- (2) The transaction value in numerical form;
- (3) The time and date; and
- (4) The player's account number or a unique transaction number, either of which can be used to authenticate from where the funds came or to where the funds went. If a wagering account number is displayed in the log, the cashless device must mask all but the last four digits of the number.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:40.03. Cashless meter requirements. Each cashless device must incorporate electronic accounting meters that conform to the following electronic metering requirements:

- (1) The operation of mandatory electronic accounting meters for cashless devices identified in this chapter may not be impacted directly by cashless transactions.

- (2) Each meter must be labeled in a manner that clearly explains the function of the meter. A meter that is not supported by the functionality of the cashless device is not required to be implemented. The required electronic accounting meters are as follows:

(A) Electronic Funds Transfer In. The cashless device must have a meter that accumulates the total value of cashable credits electronically transferred from a financial institution or other approved source of funds to the cashless device through a cashless wagering system or through a secure interface that uses a defined protocol;

(B) Wagering Account Transfer In. The cashless device must have a meter that accumulates the total value of cashable credits electronically transferred to the cashless device from a wagering account by means of an external connection between the device and a cashless wagering system or through a secure interface that uses a defined protocol;

(C) Wagering Account Transfer Out. The cashless device must have a meter that accumulates the total value of cashable credits electronically transferred from the cashless device to a wagering account by means of an external connection between the device and a cashless wagering system or through a secure interface that uses a defined protocol;

(D) Cashable Electronic Promotion In. The cashless device must have a meter that accumulates the total value of cashable promotional credits electronically transferred to the cashless device from a wagering account by means of an external connection between the device and a cashless wagering system or through the secure interface that uses a defined protocol;

(E) Cashable Electronic Promotion Out. The cashless device must have a meter that accumulates the total value of cashable promotional credits electronically transferred from the cashless device to a wagering account by means of an external connection between the device and a cashless wagering system or through the secure interface that uses a defined protocol;

(F) Non-Cashable Electronic Promotion In. The cashless device must have a meter that accumulates the total value of non-cashable promotional credits electronically transferred to the cashless device from a wagering account by means of an external connection between the device and a cashless wagering system or through the secure interface that uses a defined protocol; and

(G) Non-Cashable Electronic Promotion Out. The cashless device must have a meter that accumulates the total value of non-cashable promotional credits electronically transferred from the cashless device to a wagering account by means of an external connection between the device and a cashless wagering system or through the secure interface that uses a defined protocol.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:40.04. Transaction confirmation. Cashless wagering systems must cause a relevant, informative message to be displayed to the player whenever any cashless transaction is being processed.

The cashless device, player identification component display, or the player's device with a secure interface that uses a defined protocol must be capable of providing confirmation or denial of every cashless transaction initiated. This confirmation or denial must include:

- (1) Whether the transaction was an upload or a download;
- (2) The transaction value; and
- (3) For denied transactions, a descriptive message as to why the transaction was not completed as initiated.

If a player initiates a cashless transaction and that transaction exceeds cashless device configured limits, the transaction may only be processed if the player is clearly notified that the player has received or deposited less than the amount requested to avoid player disputes.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:40.05. Player authentication. Each cashless transaction between a supporting cashless device and the cashless wagering system must be secured using a method of authentication that allows for the identification of the player and the source of funds when an approved third-party secure interface uses a defined protocol, or similar software application on a player's device or a secure alternative means.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:40.06. Smart card/device technology. The cashless wagering system may allow a player to access the player's wagering account using smart card and smart device technology, where the account information is maintained in the cashless wagering system's database. If the smart card or smart device also has the ability to maintain a wagering account balance, the cashless wagering system must be able to validate that the amount on the card or device is in agreement with the amount stored within the cashless wagering system's database. Smart cards and smart devices may not maintain the only source of account data.

Before a licensee implements smart card or smart device technology, the commission and the designated independent testing laboratory shall evaluate the technology and approve or disapprove its use.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:40.07. Identifying a cashless device. Each cashless device must be identifiable by a player pursuant to internal control procedures. With the commission's approval, the licensee may remove display menu items that pertain to cashless operation for devices not participating, provide a host message indicating cashless capability, or affix a specific sticker on devices to indicate participation or non-participation.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41. System in a cashless environment. The requirements of §§ 20:18:17:41 through 20:18:17:41.17, must be implemented in the cashless wagering system to allow for changing of any of the associated parameters or accessing any wagering account. Additionally, the communication process used by the cashless device and the cashless wagering system must be robust and stable enough to secure each cashless transaction such that any failure event may be identified and logged for subsequent audit and reconciliation.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.01. Cashless wagering system protection. The cashless wagering system components must be housed in a secure environment that:

- (1) Has sufficient protection against alteration, tampering, or unauthorized access; and
- (2) Is equipped with a surveillance system that must meet the procedures set forth by the commission.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.02. Logical access controls. The cashless wagering system must be logically secured against unauthorized access by authentication credentials allowed by the commission pursuant to internal control procedures.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.03. Security levels. The cashless wagering system must have the ability to structure permission levels and logins so that user roles may be separated.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.04. Prevention of unauthorized access or transactions. The following minimal internal controls must be implemented to ensure that each game is prevented from responding to any command for crediting outside of a properly authorized cashless transaction:

(1) Secure the hubs, services, and connection ports in a locked and monitored room or area to prevent unauthorized access to the network and prevent access to any node without valid login and password;

(2) Limit the number of stations where critical cashless applications or associated databases may be accessed;

(3) Limit the number of users that have permission to adjust critical parameters; and

(4) Identify and flag suspect wagering accounts to prevent unauthorized use by:

(A) Establishing a maximum of three successive, incorrect secure personal identification code or number entries before account lockout;

- (B) Flagging hot accounts where cards or authentication credentials have been stolen;
- (C) Invalidating accounts and transferring balances into a new account;
- (D) Establishing limits for maximum cashless activity or overall gaming activities in and out as a global or individual variable to preclude money laundering.
- (E) Monitoring cashless devices for funds transferred into the cashless device from one wagering account, then transferred out to another wagering account; and
- (F) Monitoring wagering accounts for opening and closing in short time frames and for deposits and withdrawal without associated game play transactions.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.05. Diagnostic tests on a cashless wagering system. Any testing or test account must be logged by the cashless wagering system. No person may perform any cashless activity without being logged by the system.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.06. Cashless device identification. The cashless wagering system must uniquely identify each cashless device connected to the system.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.07. Loss of communication. If communication between the cashless wagering system and the cashless device is lost, a message must be displayed to the player that cashless transactions cannot currently be processed.

A cashless device that holds information relating to cashless transactions in its memory may not allow the removal or alteration of its information until that information has been successfully transferred and acknowledged by the system.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.08. Encryption. Communication relating to cashless operation must employ encryption technology that must be reviewed and approved by the commission. This section does not apply to any communication between the cashless device and the interface element.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.09. Cashless wagering system logs. The cashless wagering system must be able to produce logs for all pending and completed cashless transactions by:

- (1) Cashless device number;
- (2) Wagering account identification number;
- (3) Time and date of the transaction;
- (4) Type of transaction and restrictions;
- (5) Unique transaction identification number;
- (6) Amount of transaction;
- (7) Method of deposit or withdrawal; and
- (8) Transaction status.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.10. Cashless wagering system reports. The cashless wagering system must be able to provide the information needed to produce the following financial and player reports:

(1) Wagering account summary and detail report. This report must be immediately available to a player upon request. The report must include beginning and ending account balance, transaction information depicting cashless device number, dollar or credit amount, and date and time;

(2) Liability report. This report must include the previous day's ending value or today's starting value of outstanding cashless liability, total cashless-in and total cashless-out; expired promotional value where supported; and the current day's ending cashless liability if applicable. Separate reports may be generated for promotional and nonpromotional cashless liability;

(3) Cashless meter reconciliation summary and detail report. This report must reconcile each cashless device's cashless meters against the cashless wagering system's cashless activity. Separate reports may be generated for promotional and nonpromotional cashless activity; and

(4) Cashier summary and detail report. This report must include wagering account, buy-ins and cash-out, amount of transaction, and the date and time of transaction.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.11. Transferring of credits to/from the wagering account. Where credits are transferred between the wagering account and the cashless device:

(1) After the player's identity is confirmed, the cashless device must present transfer options to the player. A system may move either a predefined amount or the player's entire balance to the cashless device for play.

- (2) A transfer may not be accepted if the transfer would cause the player to have a negative balance;
- (3) The account balance is to be debited when the transfer is accepted by the system;
- (4) Once play is complete, the player may have the option to move some of the credits back to the account or cash out some or all of the credits. A system may require that the entire currency value of the credit balance be transferred back to the system; and
- (5) Any credits on the cashless device that are attempted to be transferred to the cashless wagering system and result in a communication failure with the only available payout medium, must result in a hand-pay lockup or tilt on the cashless device.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.12. Direct wagering from the wagering account. Where credits are not transferred between the wagering account and the cashless device:

- (1) A wager may not be accepted that would cause the player to have a negative balance;
- and
- (2) The account balance is to be debited when the wager is accepted by the system.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.13. Comingling of player funds. If noncashable credits and cashable player funds are comingled on one credit meter, noncashable credits shall be wagered first, as allowed by the rules of the game, before any cashable player funds are wagered.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:17:41.14. Movement of money. Repealed.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

20:18:17:41.15. Personal identification number. Repealed.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

20:18:17:41.16. Player account balance. Repealed.

Source: 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

20:18:17:41.17. Independent integrity checks. Each component within the system, that affects the integrity of the system must provide for an independent integrity check of the

component's software that is critical to its operation from an outside source. The integrity check may be completed by a third-party device, which may be embedded within the component's software or an interface port providing access to a third-party device. This integrity check shall provide a means for field testing the software to identify and validate the program. The test laboratory, prior to either the system or component approval, or both, shall approve the integrity check methodology.

Source: 36 SDR 22, effective August 18, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-11(13).

20:18:17:42. Server-supported gaming system requirements. Server-supported gaming systems are the combination of a server and client terminal which together allow the transfer of the control programs, game content, and other software resources to the client terminal as well as providing command and control instruction that may change the configuration of the software already loaded on the client terminal on an intermittent basis. The client terminals connected to the system must be capable of operating independently from the system once the downloading process has been completed. This configuration encompasses cases where the system may take control of peripheral devices or associated equipment typically considered part of a conventional client terminal such as a bill validator or a printer. In a system-supported game, game outcome is determined by the client terminals connected to the system and not by the server. The client terminal must be capable of functioning if disconnected from the system.

All server-supported gaming system client terminals must conform to the current South Dakota requirements for slot machines set forth in ARSD Chapter 20:18:17.

Requirements for server-supported gaming systems must comply with standards identified in GLI-21 v2.2 dated September 6, 2011.

A licensee may not install or use a server-supported gaming system without prior written approval by the executive secretary. Application for approval to install or use a server-supported gaming system must be made thirty days prior to installation on forms provided by the executive secretary.

A licensee may not make any modifications or upgrades to a server-supported gaming system, excluding the downloading of control programs without prior written approval of the executive secretary. Application for approval to modify or upgrade a server-supported gaming system must be made fourteen days prior to the modification or upgrade on forms provided by the executive secretary.

A licensee must obtain approval for each control program that is downloaded to the server-supported gaming system. A control program must be downloaded to the server using a secure methodology approved by the South Dakota Commission on Gaming. Any and all changes made to the control program library must be stored in an unalterable audit log, which shall include:

- (a) Time and date of access or event;
- (b) Name or user identification of individual making the change;

- (c) Identification of the game program added, changed, or deleted;
- (d) Each gaming device to which the game program was downloaded and the program replaced; and
- (e) Gaming device configuration changes.

A licensee must maintain a secure control environment for any server-supported gaming system.

System hardware must be located in an area approved by the executive secretary. Access to the area is restricted to licensed employees and to vendors who are accompanied by a licensed employee.

The licensee must provide internal controls that protect the integrity of all hardware, networks, applications, databases, and data to the executive secretary for approval prior to completion of the system testing period and final approval of the system.

Each server shall utilize adequate virus protection mechanisms to preserve the integrity and operability of the system. Each virus protection mechanism shall be updated at least once every thirty days to ensure each server is protected against known threats.

All server-supported gaming system hardware, software, and network equipment must meet system vendor/manufacturer minimum requirements.

Source: 38 SDR 116, effective January 10, 2012; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-11(13).

Reference: GLI21 v2.2, September 6, 2011. Copies may be obtained without charge from Gaming Laboratories International, LLC, at 600 Airport Road, Lakewood, New Jersey, 08701. (732) 942-3999, and online at Gaminglabs.com/standards.

CHAPTER 20:18:18

SLOT MACHINE AND SYSTEM TESTING, APPROVAL, AND MODIFICATIONS

Section

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20:18:18:01. Definitions. As used in this chapter, the following terms mean:

(1) "Conversion," a change from one preapproved configuration to another preapproved configuration;

(2) "Game outcome," the final result of the wager;

(3) "Modification," a change or alteration in an approved slot machine that affects the manner or mode of play or the percentage paid by the slot machine, including a change in control or

graphics programs, but not a conversion from one approved mode of play to another approved mode of play, replacement of one component with another preapproved component, or the rebuilding of a previously approved slot machine with preapproved components;

(4) "On-line monitoring and control system," a game management system that continuously monitors each electronic gaming device via a defined communication protocol by a dedicated line or other secure method;

(5) "Randomness," the unpredictability and absence of pattern in a set of elements or events that have definite probabilities of occurrence;

(6) "Redemption kiosk," any device that accepts a redeemable ticket voucher that is issued as a result of a cash out from a gaming device. The kiosk shall communicate the ticket voucher information to the ticket validation system. The validation system then notifies the kiosk to either pay the ticket amount to the patron or return the ticket voucher to the patron.

Source: 16 SDR 57, effective October 1, 1989; 30 SDR 115, effective February 1, 2004.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-3, 42-7B-4(21), 42-7B-5, 42-7B-7, 42-7B-17, 42-7B-43.

20:18:18:02. Approval of slot machines -- Applications and procedures. A slot machine manufacturer or distributor may not distribute a slot machine or its parts which affect game outcome, as defined in § 20:18:18:15, for use in South Dakota and a licensee may not offer a machine for play unless it has been approved by the executive secretary or is offered for play pursuant to a field test ordered by the executive secretary. In making a determination for approval, the executive secretary may accept testing results of a gaming testing laboratory which has current International Organization of Standardization (ISO) certification and accreditation.

Applications for approval of a new slot machine must be made on forms furnished by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; 22 SDR 95, effective January 18, 1996; 34 SDR 271, effective May 5, 2008.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:03. Evaluation of new slot machines. The executive secretary may require transportation of not more than two working models of a new slot machine to a game laboratory designated by the executive secretary for review and inspection. The applicant must pay the costs. The laboratory may dismantle the models and may destroy electronic components in order to fully evaluate the slot machine. The executive secretary may require that the applicant provide specialized equipment or the services of an independent technical expert to evaluate the slot machine. With each slot machine submitted, the applicant must submit two copies of prints, schematics, block diagrams, circuit analyses, technical and operation manuals, program source code and hex dumps, and any other information requested by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:04. Field test of new slot machines. The executive secretary must make a preliminary, nonbinding determination whether a machine meets the requirements of this article and SDCL 42-7B. If the executive secretary makes a preliminary determination that a new slot machine has met the requirements, the executive secretary may require that one or more models of the slot machine be tested at a licensed establishment for not less than 60 nor more than 180 days under terms and conditions that the executive secretary may require.

An applicant may not modify a slot machine during the test period without the approval of the executive secretary. The executive secretary may order termination of the test period if the executive secretary determines that the applicant or licensed establishment has not complied with the order requiring a test period or if the new slot machine fails to meet requirements.

If the test period is terminated because the licensee fails to comply with the order requiring a test period, the executive secretary may order that the test be conducted at another licensed establishment.

An applicant may object to the termination of the test period by filing a written objection with the commission. The filing of an objection shall not stay the order terminating the test. If the commission fails to order resumption of the test within 60 days after the written objection, the objection is denied. If the commission sustains the objection, the testing may be resumed under terms required by the commission.

A licensee or manufacturer may not use a skill to play a new slot machine during a test period.

If the executive secretary determines that a new slot machine is not eligible for testing at a licensed establishment, the executive secretary must notify the applicant in writing. The applicant may object to the determination by filing a written objection with the commission within 10 days. If the commission fails to order a test period within 60 days after the written objection, the objection is denied. If the commission sustains the objection, the new slot machine may be tested at a licensed establishment under terms required by the commission.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:05. Certification by manufacturer. After completing an evaluation of a new slot machine, the laboratory must send a report of its evaluation to the applicant seeking approval of the slot machine and to the executive secretary. The report must include an explanation of the manner in which the slot machine operates. The report may not include a recommendation that the slot machine be approved. The applicant must return the report within 15 working days and must certify under penalty of perjury that to the best of the applicant's knowledge the explanation is

correct, or the applicant must make corrections, clarifications, or additions to the report and certify under penalty of perjury that to the best of the applicant's knowledge the explanation of the machine is correct as amended.

The executive secretary may order additional evaluation and a field test of the new slot machine not to exceed 60 days if the executive secretary determines, based upon the applicant's certification, that the additional evaluation is necessary.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:06. Final approval of slot machines. After completing an evaluation of a new slot machine, the executive secretary must determine whether the application for approval of the slot machine should be granted. Approval of a slot machine does not constitute certification of its safety.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:07. Approval to modify slot machines -- Applications and procedures. Modifications to slot machines may only be made by applicants who have received the prior written approval of the executive secretary. In an emergency, when a modification is necessary to prevent cheating or malfunction, the executive secretary may approve a modification in an expedited manner.

Source: 16 SDR 57, effective October 1, 1989; 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11)(13).

20:18:18:08. Evaluation of modifications. The executive secretary may require transportation of not more than two working models of a modified slot machine or component to a game laboratory for review and inspection. The manufacturer must pay the costs. The game laboratory may dismantle the models and may destroy electronic components in order to evaluate the machine or component. The executive secretary may require the manufacturer to provide specialized equipment or the services of an independent technical expert to evaluate the modification.

The executive secretary must determine whether the requested modification of a slot machine is sufficiently different so that the modified machine should be treated as a new slot machine. If the executive secretary makes such a determination, the executive secretary must notify the manufacturer in writing. The manufacturer may file an application for approval of a new slot machine.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:09. Field test of modified machines. The executive secretary must make a preliminary, nonbinding determination whether a modified slot machine meets the requirements of SDCL 42-7B and this article. If the executive secretary makes a preliminary determination that a slot machine has met the requirements, the executive secretary may require that one or more models of the modified slot machines be tested at a licensed establishment for not more than 180 days under terms that the executive secretary may require.

A manufacturer may not further modify a slot machine during the test period without approval of the executive secretary.

The executive secretary may order termination of the test period if the executive secretary determines that the manufacturer or licensed establishment has not complied with the requirements.

A licensee or manufacturer may not use a skill to play a modified machine during a test period.

If the executive secretary makes a determination that the slot machine is not eligible for testing at a licensed establishment, the executive secretary must notify the manufacturer in writing.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:10. Final approval of modifications. The executive secretary must notify the manufacturer in writing of any decision to approve or disapprove a modification.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:11. Conversions. A licensee, other than a manufacturer, who converts a slot machine from one approved game configuration to another approved game configuration must notify the executive secretary prior to the conversion. If the conversion affects the payback percentage, the executive secretary must approve the conversion in writing. A licensee must maintain records of all such conversions.

A licensee using an approved server supported gaming system does not need to get prior approval before downloading any control program, game content, or other software resource from the server to the client terminals.

Source: 16 SDR 57, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:18:12. Duplication of program storage media. A licensee, other than a manufacturer, may not duplicate the contents of a slot machine program or computer storage chips unless it has received written approval from the executive secretary.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:13. Marking and registration of slot machines. A manufacturer or distributor may not distribute a slot machine in this state unless the machine has a permanent serial number which must be the same number given to the slot machine pursuant to the provisions of the Gaming Device Act of 1962, 15 U.S.C. § 1173, as in effect on October 1, 1989, permanently stamped or engraved in lettering no smaller than 5 millimeters on the metal frame or another permanent component of the slot machine and on a steel plate attached to the cabinet of the slot machine.

Each manufacturer or distributor must keep a written list of the date of each distribution, the serial numbers of the slot machines, and the name, state of residence, addresses, and telephone numbers of the persons to whom the machines have been distributed and must provide the list to the executive secretary immediately upon request.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:14. Approval to sell or dispose of slot machines -- Conditions for destruction. A licensee, other than a manufacturer or distributor, may not sell or dispose of slot machines or parts which affect game outcome, as defined in § 20:18:18:15, to anyone outside of South Dakota other than a licensed manufacturer or distributor that is licensed by any gaming regulatory agency which has an agreement with the commission regarding the exchange of information concerning licensees and applicants. If the disposition or sale is to a person in South Dakota other than a licensed manufacturer or distributor, that person must be a licensed operator or a tribal entity that has a valid compact pursuant to 25 U.S.C.A. § 2701 et seq.

A licensed operator may destroy a slot machine if the following conditions are met;

(1) Written notice is given to the executive secretary which describes the device or devices to be destroyed, setting forth the make, model, and serial number of each device;

(2) The serial number of each device is photocopied and forwarded with the notice; and

(3) The operator keeps the actual serial number plate on file for review by the commission at its discretion.

Licensees must notify and receive the approval of the executive secretary prior to disposition.

Source: 16 SDR 57, effective October 1, 1989; 17 SDR 93, effective January 6, 1991; 22 SDR 95, effective January 18, 1996; 23 SDR 227, effective July 1, 1997; 30 SDR 115, effective February 1, 2004; 43 SDR 79, effective December 5, 2016.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-17.

Cross-Reference: License required -- Sale, distribution, or lease only to licensed person, § 20:18:18.01:01.

Declaratory Ruling: Sales of slot machines by a licensed operator to a licensed distributor are permitted provided that the licensed operator files a written request specifically identifying why the sale of the slot machines is necessary and further submits to the Commission for approval all existing contractual agreements in accordance with current rules and regulations pertaining to gaming contracts. South Dakota Commission on Gaming Declaratory Ruling dated April 18, 2000.

20:18:18:14.01. Purchasing of slot machines. A licensee who purchases slot machines for use in South Dakota may purchase slot machines only from licensed manufacturers or distributors, tribal entities who have in effect a lawful compact pursuant to 25 U.S.C.A. § 2701 et seq., or other entities or persons lawfully licensed by a gaming regulatory agency which has an agreement with the commission regarding the exchange of information concerning licensees and applicants. When such purchase is from anyone other than a licensed manufacturer or distributor the licensee purchasing the slot machine must notify the executive secretary and receive the executive secretary's approval prior to the purchase of any slot machine. The executive secretary may require the purchaser of slot machines to show proof that the seller of the device is legally licensed or does have in effect a Class III compact if the seller is not licensed through the state of South Dakota.

Source: 23 SDR 227, effective July 1, 1997; 27 SDR 1, effective July 16, 2000.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(21), 42-7B-7, 42-7B-17, 42-7B-43.

Cross-Reference: License required -- Sale, distribution, or lease only to licensed person, § 20:18:18.01:01.

20:18:18:15. Maintenance of slot machines. Except as provided in this section, a licensee may not alter the operation of approved slot machines. A licensee must maintain the slot machines. Operators must purchase parts that affect game outcome and associated equipment from a manufacturer, distributor, or operator licensed by the South Dakota Commission on Gaming. If in the discretion of the executive secretary it is determined that valid reasons exist for a manufacturer of associated equipment to not be licensed in South Dakota, the executive secretary may allow a licensee to purchase associated equipment from such manufacturer if the manufacturer is lawfully licensed by a gaming regulatory agency which has an agreement with the Commission regarding the exchange of information concerning licensees and applicants. The licensee must keep a written

record of the use of all parts listed in this section and of maintenance performed on them. The record must include the name of the part manufacturer, the date purchased, the date the part was installed, and the name of the person who performed the installation. The licensee must retain the record for a period of three years from the date of purchase and make the record available for inspection by the executive secretary or a designee.

Parts and associated equipment that affect game outcome or revenue reporting are the following:

(1) Parts include the following:

- (a) Central Processing Unit (C.P.U.) board, together with components of the C.P.U. board;
- (b) Erasable Programmable Read Only Memory (E.P.R.O.M.), which contains programming that affects game outcome and any other hardware device that contains programming that affects game outcome;
- (c) Wiring harness;
- (d) Reels and reel strips;
- (e) Pay glass;
- (f) Coin acceptors;
- (g) Power supply components; and
- (h) Outside cabinet;

(2) Associated equipment includes the following:

- (a) Bill acceptors;
- (b) Hoppers;
- (c) Redemption kiosks;
- (d) On-line monitoring and control systems, including promotional and bonusing systems and cashless systems, when relied on by the licensee for compliance reporting required by the commission;
- (e) Shufflers;
- (f) Radio frequency identification (RFID) chips;
- (g) Craps dice;
- (h) Roulette wheels;
- (i) Roulette balls; and
- (j) Electronic bonusing systems.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 177, effective May 27, 1993; 20 SDR 113, effective January 23, 1994; 23 SDR 227, effective July 1, 1997; 30 SDR 115, effective February 1, 2004; 31 SDR 165, effective May 10, 2005; 36 SDR 22, effective August 18, 2009; 38 SDR 213, effective June 18, 2012; 40 SDR 121, effective January 6, 2014; 41 SDR 218, effective July 1, 2015; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:18:15.01. Licensed operator authorized to perform maintenance on bill acceptors. A licensed operator may perform maintenance on any bill acceptor belonging to a

licensee. If a licensed operator is performing maintenance of a bill acceptor, such licensed operator may sell parts for the bill acceptors. Before engaging in the business of maintenance and repair of bill acceptors not owned by the licensed operator, the licensed operator shall receive written permission from the executive secretary.

Source: 27 SDR 1, effective July 16, 2000.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-17, 42-7B-43.

Cross-Reference: License required -- Sale, distribution, or lease only to licensed person, § 20:18:18.01:01.

20:18:18:16. Summary suspension of approval of slot machines. The commission may issue a summary order to the manufacturer, distributor, or licensee suspending approval of a slot machine if it determines that the slot machine does not operate in the manner certified by the manufacturer or as approved by the executive secretary.

After issuance of the summary order, the executive secretary may seal or seize all models of that slot machine.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:17. Approval of new games -- Applications and procedures. A licensee may not offer a new slot machine for play unless it has been approved by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:18. Field trials of new games. The executive secretary may allow or require a new slot machine to be tested at a retail establishment for not more than 180 days under terms that the executive secretary may require.

The executive secretary may order termination of the test period if it is determined that the developer of the new slot machine or the licensed establishment has not complied with the terms of the order allowing or requiring a test period.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:19. Final approval of new games. The executive secretary must determine whether the application for approval of the new slot machine should be granted.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:20. Approval of associated equipment -- Applications and procedures. Unless otherwise waived, a manufacturer or distributor of associated equipment may not distribute associated equipment unless it has been approved by the executive secretary. Applications for approval of associated equipment must be made on forms provided by the executive secretary. On written request from the manufacturer or distributor of associated equipment, the executive secretary may waive the approval requirement for associated equipment.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:21. Evaluation of associated equipment. The executive secretary may require transportation of not more than two working models of associated equipment to a laboratory designated by the executive secretary. The laboratory may dismantle the associated equipment and may destroy electronic components in order to fully evaluate the equipment. The executive secretary may require the manufacturer or distributor seeking approval to provide specialized equipment or the services of an independent technical expert to evaluate the equipment. The executive secretary may require the payment of costs.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:22. Field trial of associated equipment. The executive secretary may allow or require that associated equipment be tested at licensed retail establishments for not more than 180 days under terms that the executive secretary may require. The executive secretary may allow an additional test period on written request of the manufacturer or distributor of associated equipment.

A manufacturer may not modify associated equipment during the test period without the approval of the executive secretary.

The executive secretary may order termination of the test period if the executive secretary determines that the manufacturer or distributor or licensed establishment has not complied with the order requiring a test period. If the test period is terminated because the licensee fails to comply with the order requiring a test period, the executive secretary may order that the test be conducted at another licensed establishment.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:23. Installation of associated equipment. A licensee may not install or use associated equipment that must be approved without the prior approval of the executive secretary. Applications for approval to install or use associated equipment must be made on forms provided by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:24. Maintenance of associated equipment. A licensee may not alter the manner in which the associated equipment operates without the prior approval of the executive secretary.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-14, 42-7B-17, 42-7B-43.

20:18:18:24.01. Installation and upgrade of on-line monitoring and control system. A licensee may not install or use an on-line monitoring and control system without prior written approval by the executive secretary. Application for approval to install or use an on-line monitoring and control system must be made 30 days prior to installation on forms provided by the executive secretary.

A licensee may not make any modifications or upgrades to an on-line monitoring and control system without prior written approval of the executive secretary. Application for approval to modify or upgrade an on-line monitoring and control system must be made 14 days prior to the modification or upgrade on forms provided by the executive secretary.

Source: 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 41-7B-11(11)(13), 42-7B-43.

20:18:18:24.02. On-line monitoring and control system access and control. A licensee must maintain a secure control environment for any on-line monitoring and controls system.

System hardware must be located in an area approved by the executive secretary. Access to the area is restricted to licensed employees and to vendors who are accompanied by a licensed employee.

The licensee must provide internal controls that protect the integrity of all hardware, networks, applications, databases, and data to the executive secretary for approval prior to completion of the system testing period and final approval of the system.

Source: 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 41-7B-11(11)(13), 42-7B-43.

20:18:18:24.03. On-line monitoring and control system -- Network security. Each production network (live network) serving on-line monitoring and control systems shall be secured from outside traffic. A firewall or other equipment used to secure the network from outside traffic shall maintain a 30-day audit log. The audit log shall record all changes to the configuration of the firewall or other equipment and shall be reviewed for unauthorized configuration changes. This review shall be documented. If a guest network is offered that provide internet access for patrons, hotel guests, or vendors, the guest network shall be physically or logically segregated from the network used to serve the on-line monitoring and control system. Network traffic on guest network shall be non-routable to the on-line monitoring and control system network. Any third party software application reading or writing to an on-line monitoring and control system must be approved by the commission, and a laboratory designated by the executive secretary. The commission may require a perimeter network (DMZ) or other approved secure method for any connection between a third-party software application and the approved on-line monitoring and control system. If an outside connection is allowed, an annual security assessment by an independent information technology security professional is required. This security assessment shall include an evaluation of the licensee's network security and have, at a minimum, a vulnerability scan approved by the commission. The results of the security assessment scan shall be included in the licensee's system audit.

Source: 40 SDR 121, effective January 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(11)(13), 42-7B-43.

20:18:18:25. Retention of records. All records required by this chapter must be maintained for three years.

Wagering vouchers as described in chapter 20:18:17 shall be retained for a period of 90 days from date of redemption. Wagering voucher may be destroyed after 90 days if record of the transaction is retrievable from the slot management system voucher reports.

Source: 16 SDR 57, effective October 1, 1989; 38 SDR 172, effective April 23, 2012.; 41 SDR 53, effective October 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-43.

20:18:18:26. External bonusing systems. External bonusing systems are comprised of slot machines that are configured to participate in electronically communicated bonus award payments from an approved host system, and the host system that controls award issuance. Bonusing awards are based on a specific wager or specific event and are available to all patrons playing bonused slot

machines. Payouts as a result of a bonusing event are a deductible event in the adjusted gross revenue calculation. The following procedures must be followed by any external bonusing system:

(1) Slot machine credit meters must record the value of any patron bonusing wins which are not paid directly to the player. If the bonusing amount won exceeds the machine jackpot limit, the slot machine must lock up as if it were a hand pay and display the amount owed to the patron. Electronic accounting meters affected as the result of the bonusing event must increment as if any other win had occurred. In addition to the meters required by § 20:18:17:03, additional machine paid external bonus payout and attendant paid external bonus payout meters must be added;

(2) Bonusing functionality must be configured using an approved security method such as key chip or other form approved by the commission through internal control procedures. Access to the secured area requires prior approval of the commission;

(3) Slot machines configured to participate in the bonusing system must have the ability to recall the last 35 monetary transactions received from the host system. If a slot machine has cashless or promotional features enabled simultaneously with bonusing features, a single 100-event log suffices. The following transaction information must be displayed:

- (A) Transaction values; and
- (B) Time and date.

Source: 31 SDR 165, effective May 10, 2005; 32 SDR 128, effective January 30, 2006; 33 SDR 125, effective January 29, 2007; 36 SDR 22, effective August 18, 2009; 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

CHAPTER 20:18:18.01

SLOT MACHINE MANUFACTURERS

Section

- 20:18:18.01:01 License required -- Sale, distribution, or lease only to licensed person.
- 20:18:18.01:02 Inspection and investigation of slot machine and equipment.
- 20:18:18.01:03 Repealed.
- 20:18:18.01:04 Payment for inspections.
- 20:18:18.01:05 Notification of suppliers.
- 20:18:18.01:06 Final assembly and initial operation -- Request for change.
- 20:18:18.01:07 Disciplinary procedures.
- 20:18:18.01:08 Independent contractor.
- 20:18:18.01:09 Independent contractor exempt from licensing requirements.
- 20:18:18.01:10 Determination of suitability of independent contractor.
- 20:18:18.01:11 Commission determination of unsuitability of an independent contractor.
- 20:18:18.01:12 Manufacturers agreements with independent contractors.

20:18:18.01:13 Manufacturers responsibilities for independent contractors.

20:18:18.01:14 Control program.

20:18:18.01:01. License required -- Sale, distribution, or lease only to licensed person.

A manufacturer or distributor of slot machines or equipment which are manufactured or assembled in this state must be licensed by the commission and may sell, lease, or distribute slot machines and equipment approved by the commission in accordance with this chapter. A licensed slot machine manufacturer must comply with SDCL chapter 42-7B and article 20:18.

A licensed slot machine manufacturer in this state may only sell, distribute, or lease slot machines and equipment to persons lawfully licensed by a governmental agency or a tribal entity that has a compact pursuant to 25 U.S.C.A. § 2701 et seq.

Source: 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7, 42-7B-11(12), 42-7B-69.

Law Implemented: SDCL 42-7B-22, 42-7B-37, 42-7B-38, 42-7B-39, 42-7B-69, 42-7B-70.

20:18:18.01:02. Inspection and investigation of slot machine and equipment. Before offering slot machines or equipment for sale, distribution, or lease, a slot machine manufacturer must request the commission to inspect, investigate, and approve the slot machines and equipment. The request for the inspection, investigation, and approval must include the following:

(1) Two copies of prints, schematics, block diagrams, the circuit analysis, and a complete explanation of the method of operation, pay procedures, odds determination, and all other pertinent information about the machine; and

(2) Two copies each of the following, as applicable:

- (a) The purchase agreement;
- (b) The lease agreement;
- (c) The bill of sale;
- (d) The management agreement; and
- (e) The participation agreement.

Source: 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7, 42-7B-11(12), 42-7B-69.

Law Implemented: SDCL 42-7B-22, 42-7B-37, 42-7B-38, 42-7B-39, 42-7B-69, 42-7B-70.

20:18:18.01:03. Inspection of exported slot machines and equipment. Repealed.

Source: 20 SDR 113, effective January 23, 1994; repealed, 25 SDR 95, effective January 20, 1999.

20:18:18.01:04. Payment for inspections. The licensed manufacturer is responsible for the costs of slot machine inspection. The commission or the testing facility with the commission or

executive secretary's permission shall bill the licensed manufacturer. Inspections must comply with § 20:18:18:03.

Source: 20 SDR 113, effective January 23, 1994; 25 SDR 95, effective January 20, 1999.

General Authority: SDCL 42-7B-7, 42-7B-11(12), 42-7B-69.

Law Implemented: SDCL 42-7B-22, 42-7B-37, 42-7B-38, 42-7B-39, 42-7B-43, 42-7B-69, 42-7B-70.

20:18:18.01:05. Notification of suppliers. The commission must be notified by the slot machine manufacturer of all suppliers of equipment which affect game outcome as defined in § 20:18:18:15. The slot machine manufacturer must submit copies of all contracts with any suppliers of such equipment. The executive secretary may approve or deny the contracts.

Source: 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7, 42-7B-11(12), 42-7B-69.

Law Implemented: SDCL 42-7B-22, 42-7B-37, 42-7B-38, 42-7B-39, 42-7B-65, 42-7B-66, 42-7B-69, 42-7B-70.

20:18:18.01:06. Final assembly and initial operation -- Request for change. The manufacturer is responsible for the final assembly and initial operation of a slot machine and equipment manufactured in this state and approved by the commission. Before changing the manner of final assembly or initial operation of a slot machine, the slot machine manufacturer must obtain approval from the commission or executive secretary. The request for prior approval must be in writing and must set forth the reason for the change. A print, schematic, block diagram, or machine analysis, as applicable, which contains details of the proposed change must accompany the request.

If a change is necessary to prevent cheating or malfunction, the manufacturer may verbally request emergency approval of the change and the commission or executive secretary may grant verbal approval. An emergency request must provide the same information as required for a written request. A verbal request for emergency approval of a change must be followed by a written request for approval.

A slot machine manufactured in this state and used in connection with gaming must clearly represent its rules of play and payoff schedule to the playing public. Each slot machine must, at all times, operate and play in accordance with the representation made to the commission and to the public.

Source: 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7, 42-7B-11(12), 42-7B-69.

Law Implemented: SDCL 42-7B-22, 42-7B-37, 42-7B-38, 42-7B-39, 42-7B-69, 42-7B-70.

20:18:18.01:07. Disciplinary procedures. The violations listed in this section will result in sealing or seizing any or all of the slot machines and equipment manufactured, leased, or distributed by the licensee and are subject to SDCL 42-7B-32 and chapters 20:18:09 and 20:18:10. The following are violations of this chapter:

(1) Any changes found in slot machines that have not been approved by the commission or executive secretary in accordance with this chapter;

(2) Any circuitry of any kind that changes the manner of operation of a slot machine from that which was approved by the commission or executive secretary or from that which has been represented to the public;

(3) Any other circuitry that changes the manner of operation of a slot machine that was not discovered by the commission or executive secretary at the time of granting of approval or that changes the manner of operation of a slot machine that was in operation on the effective date of this chapter.

Source: 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7, 42-7B-11(12), 42-7B-69.

Law Implemented: SDCL 42-7B-22, 42-7B-37, 42-7B-38, 42-7B-39, 42-7B-69, 42-7B-70.

Cross-Reference: 18 U.S.C. § 494, Tokens or paper used as money.

20:18:18.01:08. Independent contractor. For the purposes of this chapter, the term, independent contractor, means any person who:

(1) Is not an employee of a licensed manufacturer; and

(2) Pursuant to an agreement with a license manufacturer:

(a) Designs, develops, programs, produces or composes a control program on behalf of the licensed manufacturer; or

(b) Designs, develops, produces, or composes software, source language, or executable code intended to be compiled into a control program by a licensed manufacturer.

Source: 39 SDR 119, effective January 8, 2013.

General Authority: SDCL 42-7B-7, 42-7B-11(12).

Law Implemented: SDCL 42-7B-11(12).

20:18:18.01:09. Independent contractor exempt from licensing requirements. An independent contractor is not subject to licensing pursuant to SDCL chapter 42-7B in connection with activities performed as an independent contractor provided that the independent contractor complies with the requirements of this chapter governing independent contractors.

Source: 39 SDR 119, effective January 8, 2013.

General Authority: SDCL 42-7B-7, 42-7B-11(12).

Law Implemented: SDCL 42-7B-11(12).

20:18:18.01:10. Determination of suitability of independent contractor. An independent contractor may be required by the commission to file an application for a finding of suitability to be an independent contractor for a licensed manufacturer. The commission shall give written notice

to the independent contractor of its decision to require the filing of an application for a finding of suitability. Unless otherwise stated by the commission in its written notice, an independent contractor who has been ordered to file an application for a finding of suitability to be an independent contractor may continue to perform under a contract with a manufacturer unless and until the commission finds the independent contractor unsuitable.

The commission retains jurisdiction to determine the suitability of an independent contractor regardless of whether or not the independent contractor has any active agreements with licensed manufacturers or is otherwise no longer functioning as an independent contractor.

A failure on the part of the independent contractor to submit an application for finding of suitability within 30 days after being demanded to do so by the commission constitutes grounds for a finding of unsuitability of the independent contractor.

Source: 39 SDR 119, effective January 8, 2013.

General Authority: SDCL 42-7B-7, 42-7B-11(11)(12).

Law Implemented: SDCL 42-7B-11(11)(12).

20:18:18.01:11. Commission determination of unsuitability of an independent contractor. If the commission finds an independent contractor to be unsuitable:

(1) Each licensed manufacturer shall, upon written notification, immediately terminate any existing relationships, direct or indirect, with such independent contractor;

(2) No new gaming device with a control program that contains software, source language, or executable code created in whole or in part by the unsuitable independent contractor may be approved; and

(3) Any previously approved gaming device with a control program that contains software, source language, or executable code created in whole or in part by the contractor is subject to revocation of its approval if the reasons for the finding of unsuitability also apply to that gaming device.

Failure of a licensed manufacturer to terminate any association or agreement with an independent contractor after receiving of the determination of unsuitability constitutes grounds for disciplinary action as set forth in ARSD subdivision 20:18:09:01(20).

Source: 39 SDR 119, effective January 8, 2013.

General Authority: SDCL 42-7B-7, 42-7B-11(11)(12).

Law Implemented: SDCL 42-7B-11(11)(12).

20:18:18.01:12. Manufacturers agreements with independent contractors. Any agreement between a licensed manufacturer and an independent contractor shall provide for termination without continuing obligation of the licensed manufacturer in the event the independent contractor:

(1) Refuses to respond to information requests from the commission;

- (2) Fails to file an application for a finding of suitability as required by the commission; or
- (3) Is found unsuitable by the commission.

Source: 39 SDR 119, effective January 8, 2013.

General Authority: SDCL 42-7B-7, 42-7B-11(11)(12).

Law Implemented: SDCL 42-7B-11(11)(12).

20:18:18.01:13. Manufacturers responsibilities for independent contractors. Each licensed manufacturer must:

(1) Complete a review of any software, source language, or executable code designed, developed, produced, or composed by an independent contractor for compliance with all applicable regulations and technical standards of the commission prior to submission to the commission for approval;

(2) As to such submission, maintain a record of the general subject matter description of the software, source language, or executable code that has been designed, developed, produced, or composed by an independent contractor, by contractor name; and

(3) Provide the commission with a current list of all independent contractors with whom the manufacturer has an agreement involving gaming devices that are sold or distributed in South Dakota.

Such records shall be maintained for a minimum of three years from the date of the relevant submission and must be made available to the commission upon request. Failure to keep and provide the records is grounds for disciplinary action as an unlawful method of operation pursuant to ARSD subdivision 20:18:09:01(20).

Source: 39 SDR 119, effective January 8, 2013; 40 SDR 121, effective January 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(12)(13).

20:18:18.01:14. Control program. For the purposes of this chapter, the term, control program, means any software, source language, or executable code which affects the result of a wager by determining win or loss. The term includes software, source language, or executable code associated with the:

- (1) Random number generation process;
- (2) Mapping of random numbers to game elements displayed as part of game outcome;
- (3) Evaluation of the randomly generated game elements to determine win or loss;
- (4) Payment of winning wagers;
- (5) Game recall;
- (6) Game accounting including the reporting of meter and log information to on-line slot metering systems;
- (7) Monetary transactions conducted with associated equipment;
- (8) Software verification and authentication functions which are specifically designed and intended for use in a gaming device;

- (9) Monitoring and generation of game tilts or error conditions; and
- (10) Game operating systems which are specifically designed and intended for use in a gaming device.

Source: 39 SDR 119, effective January 8, 2013.

General Authority: SDCL 42-7B-7, 42-7B-11(12).

Law Implemented: SDCL 42-7B-11(12).

CHAPTER 20:18:18.02

STORING, DISPLAYING, AND TRANSPORTING SLOT MACHINES

Section

20:18:18.02:01 Approval required to store or display.

20:18:18.02:02 Repealed.

20:18:18.02:03 Inventory list required.

20:18:18.02:01. Approval required to store or display. Upon approval of the commission or executive secretary, a licensed slot machine manufacturer, distributor, or operator may store or display slot machines in locations in South Dakota other than within the city limits of Deadwood for the purpose of sale or lease if the machines are rendered inoperable and the licensee complies with the requirements of SDCL 42-7B-38 and 42-7B-39.

Source: 18 SDR 9, effective July 23, 1991; transferred from § 20:18:28:01, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-37, 42-7B-38, 42-7B-39, 42-7B-47.

20:18:18.02:02. Notice of transportation of slot machines. Repealed.

Source: 18 SDR 9, effective July 23, 1991; transferred from § 20:18:28:02, 21 SDR 98, effective November 30, 1994; repealed, 25 SDR 95, effective January 20, 1999.

20:18:18.02:03. Inventory list required. Any licensee storing slot machines in the state of South Dakota is required to maintain a current inventory list. The inventory list shall include at least the following information: manufacturer, serial number, and location of the slot machine. The inventory list must be provided to the executive secretary upon request.

Source: 25 SDR 172, effective July 11, 1999.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(4), 42-7B-37, 42-7B-38, 42-7B-39, 42-7B-47.

CHAPTER 20:18:19

GAMING EQUIPMENT

Section

20:18:19:01	Blackjack table -- Physical characteristics.
20:18:19:02	Cards -- Receipt and storage.
20:18:19:03	Cards -- Inspection and removal from use.
20:18:19:04	Cards, envelopes, and containers to commission.
20:18:19:05	Duties of a licensee.
20:18:19:06	Distribution of cards.
20:18:19:07	Dealing shoes.
20:18:19:08	Poker table -- Approval by executive secretary.
20:18:19:09	Craps table -- Physical characteristics.
20:18:19:10	Dice -- Physical characteristics.
20:18:19:11	Dice -- Receipt, storage, inspections, and removal from use.
20:18:19:12	Dice -- Cancellation and destruction of dice.
20:18:19:13	Roulette table -- Physical characteristics.
20:18:19:14	Roulette balls.

20:18:19:01. Blackjack table -- Physical characteristics. Blackjack must be played at a table having on one side places for the players and on the opposite side a place for the dealer. The cloth covering the blackjack table may have imprinted on it the name of the establishment and must have rectangular, circular, or oval areas to indicate boxes for wagers.

The following inscriptions shall appear on the cloth covering the blackjack table:

- (1) The payout odds for a blackjack; and
- (2) Insurance pays 2 to 1.

A blackjack table must have a drop box.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992; 40 SDR 101, effective December 2, 2013.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:19:02. Cards -- Receipt and storage. When decks of cards are received for use in a licensed establishment, they must be stored in a locked cabinet. The cabinet must be located in a secure location. The location must be approved by the executive secretary. A secondary storage area must be located in a secure area approved by the executive secretary.

Before the beginning of gaming for a shift or day and as necessary, the licensee or the licensee's agent must open the cabinet and remove the appropriate number of decks of cards for

that shift or day, distribute the decks to the dealer at each table, and place the extra decks in a card reserve. The card reserve must be a locked compartment approved by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:19:03. Cards -- Inspection and removal from use. Prior to their use at a table, decks must be inspected by the dealer. The dealer must check the back of each card to assure that it is not flawed, scratched, or marked in any way. If, after checking the cards, the dealer finds that certain cards are damaged or improper, the licensee or the licensee's agent must bring a substitute deck from the card reserve. The damaged or improper cards must be placed in a sealed envelope or container, identified by table number, date, and time, and signed or initialed by the dealer and the licensee or the licensee's agent.

Cards damaged during the course of play must be replaced. The damaged cards must be placed in a sealed envelope or container, identified by table number, date, and time, and must be signed or initialed by the dealer.

The licensee must remove cards at any time 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 an authorized representative of the executive secretary or commission.

A label must be attached to an envelope or container which identifies the date and time and which must be signed or initialed by the licensee or the licensee's agent.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:19:04. Cards, envelopes, and containers to commission. The envelopes and containers containing cards must be turned over to the executive secretary who must inspect them for tampering, marks, alterations, missing or additional cards, or anything that might indicate unfair play.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:19:05. Duties of a licensee. The executive secretary may request that a licensee remove all or designated cards from play or storage for the purpose of inspection. The executive secretary may conduct the inspection or may request an employee of the licensee to conduct the inspection. If the executive secretary requests an employee of the licensee to conduct the

inspection, the employee must follow the procedures required by the executive secretary which must include at a minimum:

(1) Complete a work order setting forth the procedures performed and listing the tables from and time at which the cards were removed;

(2) Sort the cards sequentially by suit and inspect the sides of the cards for crimps, bends, cuts, and shaving; and

(3) Immediately contact the executive secretary by telephone or in person telling the executive secretary of any evidence of tampering, alteration, missing or additional cards, or anything that might indicate unfair play. The employee must thereafter complete a written report and deliver the report, copies of the completed work order, and any cards discovered to be damaged, altered, or otherwise reported pursuant to this rule to the executive secretary.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:19:06. Distribution of cards. Cards that are inspected and found with any indication of tampering, marks, alteration, missing or additional cards, or anything that might indicate unfair play may be returned to the retail licensee to be immediately destroyed or canceled as specified by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989; 16 SDR 233, effective July 1, 1990; 18 SDR 9, effective July 23, 1991; 23 SDR 126, effective February 13, 1997.

General Authority: SDCL 42-7B-7, 42-7B-11.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-15.

20:18:19:07. Dealing shoes. A dealing shoe must be designed and constructed to maintain the integrity of the game. Dealing shoes and shuffling devices in the establishment must be inspected each gaming day before cards are placed in them to assure that there is no contrivance within the shoe or shuffling device.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:19:08. Poker table -- Approval by executive secretary. Poker tables to be used in a licensed establishment must have their specifications approved by the executive secretary.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:19:09. Craps table -- Physical characteristics. Craps must be played on an oblong table with rounded corners and walled sides approved by the executive secretary.

No craps table may be more than 14 feet in length. A craps table, while in play, must have a drop slot and drop box and a tip box, except that no tip box may be required if tips are not accepted at the table. The drop box and tip box must be attached to the table on the same side as, but on opposite sides of the box person. Each craps table must have an identifying number, assigned by the retail licensee, on the top surface of the table or table accessory. The table number must be visible to surveillance personnel and must be able to be captured on surveillance video of table activity.

The craps table must have the words "no call bets" imprinted on the layout. The craps table must have specific areas marked in which to place wagers and may have imprinted on it the name and logo of the establishment.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:19:10. Dice -- Physical characteristics. All dice used in gaming must:

(1) 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;

(2) Be transparent and made exclusively of cellulose except for the spots, name or trade name of the casino licensee and serial number or letters contained thereon;

(3) Have the surface of each of its sides perfectly flat and the spots contained in each side perfectly flush with the surrounding area;

(4) Have all edges and corners perfectly square and forming perfect 90 degree angles;

(5) Have the texture and finish of each side exactly identical to the texture and finish of all other sides;

(6) Have its weight equally distributed throughout the cube and no side of the cube heavier or lighter than any other side of the cube;

(7) 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;

(8) 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

(9) Have imprinted or impressed thereon the name or trade name of the casino licensee in which the die is being used, and a unique serialized number.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:19:11. Dice -- Receipt, storage, inspections, and removal from use. All dice:

(1) When received for use in a licensed premise, shall be placed for storage in a primary or secondary storage area in a secure location approved by the commission. Dice maintained in secondary storage areas shall be transferred to the primary storage area before being distributed to the pits or tables. All primary and secondary storage area keys shall be maintained in the double key lockbox. As necessary, the licensee shall remove the appropriate number of dice from the primary storage area;

(2) Once removed from the primary storage area, the licensee shall take the dice to the pit and shall secure the dice in a single locked drawer designated for gaming instruments (i.e., cards, dice, roulette balls, and gaming forms) or distribute the dice to a box person or other pit supervisor;

(3) Shall be inspected prior to use in a game by the manager on duty or pit supervisor with a micrometer, balancing caliper, a steel set square, and a magnet or any other instrument approved by the commission. A balancing caliper, a steel set square, and a magnet, shall be kept in a compartment at each craps table or pit stand and shall be at all times readily available for use by the commission or staff upon request;

(4) Following the inspection, shall be placed in a cup on the table for use in gaming. At all times while at the table, the dice may never be left unattended;

(5) If stored in the pit, shall be kept in a single locked drawer designated for gaming instruments (i.e., cards, dice, roulette balls, and gaming forms). The locked storage area may be used to store dice for one week. Access to the locked storage area is limited to the pit supervisor. The pit supervisor shall maintain a current log that reflects the current number and color of dice in the locked storage area. Any discrepancy shall be immediately reported to the commission;

(6) Shall be removed from use any time 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 commission or staff;

(7) At the end of the gaming day or at such other times as may be necessary, shall be visually inspected by the pit supervisor for evidence of tampering. Any evidence of tampering or suspected tampering must be immediately reported to the commission;

(8) Showing evidence of tampering shall be placed in a sealed envelope or container, identified by table number, date, and time, and the envelope must be signed or initialed by the box person and pit supervisor; and

(9) That are extra and kept in reserve and are to be destroyed or cancelled 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 be signed by the pit supervisor;

At least once each gaming day, or at such other times as may be necessary, a licensed security officer shall collect and sign all envelopes or containers of used dice and any dice in reserve that are to be destroyed or cancelled and shall transport the dice to a designated location approved by the commission for cancellation or destruction. No dice that have been placed in a cup for use in gaming may remain on a table for more than 24 hours.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:19:12. Cancellation and destruction of dice. All dice removed from a game, except any dice retained for commission inspection, shall be immediately cancelled to prevent reintroduction of the dice to the game. Cancellation shall occur by use of cancellation tool, scribe, or any other tool to produce a cancellation mark that is permanent and clearly visible on each die.

A licensee may destroy the cancelled dice by drilling a circular hole of at least three-sixteenths of one inch (3/16") in diameter through the center of each die or by any other method approved by the executive secretary.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:19:13. Roulette table -- Physical characteristics. 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. Each roulette wheel shall be of a single zero variety or double zero variety as follows:

(1) 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 which numbers shall be arranged around the wheel unless otherwise approved by the executive secretary. 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 executive secretary; and

(2) 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 (0)

and colored green, one marked double-zero (00) and colored green, and the others marked 1 to 36 and colored alternately red and black which numbers shall be arranged around the wheel unless otherwise approved by the executive secretary. 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 executive secretary.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:19:14. Roulette balls. Each ball used in gaming at roulette shall be made completely of a non-metallic substance and may not measure less than $\frac{3}{8}$ of an inch or more than $\frac{7}{8}$ of an inch in diameter unless otherwise approved by the executive secretary.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

CHAPTER 20:18:20

CHIPS, TOKENS, AND TICKETS

Section

20:18:20:01	Definitions.
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20:18:20:13	Nonvalue roulette chips.

20:18:20:01. Definitions. Terms used in this chapter mean:

(1) "Chip," a nonmetal or partly metal representative of value, redeemable for cash, issued and sold by a licensee for use at gaming;

(2) "Token," a metal representative of value, redeemable for cash, issued and sold by a licensee for use at gaming.

Source: 16 SDR 157, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:20:02. Approval of chips and tokens -- Requests and procedures. A licensee may not issue chips or tokens or sell or redeem chips or tokens unless the specifications of the chips or tokens have been approved in writing by the executive secretary. A licensee may not issue chips or tokens or sell or redeem chips or tokens that are modifications of chips or tokens previously approved by the executive secretary unless the modifications have been approved by the executive secretary.

Requests for approval of chips, tokens, and modifications to previously approved chips or tokens must be made in writing to the executive secretary. The request must include the following in addition to other items of information that the executive secretary may require:

- (1) An exact drawing of each side and the edge of the proposed chip or token, drawn to actual size or drawn in scale to larger than actual size showing the measurements of the proposed chip or token in each dimension;
- (2) Written specifications for the proposed chips or tokens;
- (3) The name and address of the manufacturer; and
- (4) The licensee's intended use for the proposed chips or tokens.

If the executive secretary is satisfied that the proposed chips or tokens conform with the requirements of this chapter, the executive secretary must notify the licensee in writing. The licensee must submit a sample of the proposed chips or tokens in final, manufactured form to the executive secretary. If the executive secretary is satisfied that the sample conforms with the requirements of this chapter and with the information submitted with the application, the executive secretary must approve the proposed chips or tokens and notify the licensee in writing. The executive secretary may retain the sample chips and tokens.

Source: 16 SDR 157, effective October 1, 1989; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:20:03. Specifications for chips and tokens. Chips and tokens must be designed, manufactured, and constructed in compliance with all applicable statutes, rules, and policies of the United States, South Dakota, and other states to prevent counterfeiting of the chips or tokens. Chips and tokens must not resemble any current or past coinage of the United States or any other nation.

In addition to other specifications that the executive secretary may approve, the following must appear on the chip or token:

- (1) The name of the issuing establishment must be inscribed on each side of a chip or token;
- (2) The city in which the establishment is located must be inscribed on one side of the chip or token;
- (3) The value of the chip or token must be inscribed on each side of a chip or token; and
- (4) A chip must be designed so that when stacked with chips and tokens of other denominations and viewed on closed-circuit, black-and-white television, the denomination of the chip may be distinguished from that of the other chips and tokens in the stack.

Source: 16 SDR 157, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:20:04. Specifications for chips. Chips must be disk-shaped, must be .130 inch thick, and must have a diameter of 1.55 inches.

Source: 16 SDR 157, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:20:05. Colors of chips. Denominations of chips must be denoted by the following colors:

- (1) The fifty-cent chip must be predominantly beige;
- (2) The one-dollar chip must be predominantly white;
- (3) The two-dollar chip must be predominantly orange;
- (4) The two-dollar fifty cent chip must be predominantly pink;
- (5) The five-dollar chip must be predominantly red;
- (6) The ten-dollar chip must be predominantly blue;
- (7) The twenty-five-dollar chip must be predominantly green;
- (8) The one-hundred dollar chip must be predominantly black; and
- (9) The five-hundred dollar chip must be predominantly purple;
- (10) The one-thousand dollar chip must be predominantly yellow; and
- (11) The five-thousand dollar chip must be predominantly grey.

A retail licensee must have sufficient numbers of chips to conduct gaming. The retail licensee may have other approved chips at its option.

Source: 16 SDR 157, effective October 1, 1989; 19 SDR 21, effective August 20, 1992; 25 SDR 4, effective July 27, 1998; 28 SDR 24, effective August 28, 2001; 31 SDR 165, effective May 10, 2005; 38 SDR 213, effective June 18, 2012.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-15.

20:18:20:06. Specifications for tokens. One-dollar tokens must be disk-shaped and must measure from 1.459 through 1.474 inches in diameter and from .095 through .115 inch thick, and, if the token has reeds or serrations on its edges, the number of reeds or serrations must not exceed 150. Five-dollar tokens must be disk-shaped and must measure from 1.740 through 1.760 inches in diameter and from .110 through .130 inch thick. Ten-dollar tokens must be disk-shaped and must measure from 1.695 through 1.705 inches in diameter and from 0.133 through 0.140 inch thick. Twenty-five dollar tokens must be disk-shaped and must measure from 1.645 through 1.875 inches in diameter and from 0.093 through 0.106 inch thick. One-hundred-dollar tokens must be disk-shaped and must measure from 1.595 through 1.605 inches in diameter and from 0.077 through 0.092 inch thick.

Tokens must not be manufactured from material possessing sufficient magnetic properties to allow it to be accepted by a coin mechanism other than that of a slot machine. Tokens may not be manufactured from a three-layered material consisting of a copper-nickel alloy clad on both sides of a pure copper core nor from a copper-based material unless the total of zinc, nickel, aluminum, magnesium, and other alloying materials is at least 20 percent of the token's weight.

Source: 16 SDR 157, effective October 1, 1989; 18 SDR 9, effective July 23, 1991; 27 SDR 73, effective January 30, 2001.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-14, 42-7B-15.

20:18:20:07. Use of chips and tokens. A licensee using chips or tokens must do the following:

(1) Comply with all applicable statutes and rules of the State of South Dakota and of the United States relating to chips or tokens;

(2) Sell chips and tokens only to patrons of its establishment and only at their request;

(3) Promptly redeem its own chips and tokens from its patrons;

(4) Post conspicuous signs notifying patrons that federal law prohibits the use of the licensee's tokens and chips outside the establishment for any monetary purpose; and

(5) Take reasonable steps, including examining chips and tokens and segregating those issued by other licensees, to prevent sales to its patrons of chips and tokens issued by another licensee.

A licensee may not accept chips or tokens as payment for goods or services other than gaming and may not get chips or tokens as change in any other transaction.

Source: 16 SDR 157, effective October 1, 1989; 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

Cross-Reference: 18 U.S.C. § 494, Tokens or paper used as money.

20:18:20:08. Redemption. A licensee may not redeem its chips or tokens if presented by a person who the licensee knows or reasonably should know is not a patron of its establishment unless they are presented as follows:

(1) By another licensee who represents that it redeemed the chips and tokens from its patrons or received them unknowingly, inadvertently, or unavoidably;

(2) By an employee of the licensee who presents the chips and tokens in the normal course of employment; or

(3) By a person engaged in the business of collecting from licensees chips and tokens issued by other licensees and presenting them to the issuing licensees for redemption.

Source: 16 SDR 157, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:20:09. Use of other licensee's chips and tokens. A licensee may not knowingly sell, use, permit the use of, accept, or redeem chips or tokens issued by another licensee except as follows:

(1) The chips or tokens are presented by a patron for redemption to a cashier of the licensee's establishment and the patron states that the patron received the tokens at the licensee's establishment from the payout chutes of slot machines or from an employee of the licensee;

(2) The chips or tokens are presented by a patron at a game, and the licensee redeems the chips or tokens with chips of its own, places the redeemed chips in the imprest bank or the table's drop box, and separates and accounts for the redeemed chips during the count performed pursuant to the licensee's system of internal control.

Source: 16 SDR 157, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:20:10. Redemption and disposal of discontinued chips and tokens. A licensee who permanently removes from use or replaces chips or tokens at the licensee's establishment or who ceases operating the establishment for any reason must prepare a plan for redeeming discontinued chips and tokens that remain outstanding at the time of discontinuance. The licensee must submit the plan in writing to the executive secretary no later than 30 days before the discontinuance. If the cause for discontinuance of the chips or tokens cannot reasonably be anticipated, the licensee must submit the plan as soon as practicable. The executive secretary may approve the plan or require modifications as a condition of approval. Upon approval of the plan, the licensee must implement the plan as approved. In addition to other provisions the executive secretary may approve or require, the plan must provide the following:

(1) Redemption of outstanding, discontinued chips and tokens for 120 days after the discontinuance or for a longer or shorter period required by the executive secretary;

(2) Redemption of the chips and tokens at the premises of the licensed establishment or at another location approved by the executive secretary;

(3) Publication of notice of the discontinuance of the chips and tokens and their redemption and the pertinent times and locations. The notice must be published in at least two newspapers of general circulation in South Dakota at least twice during each week of the redemption period. Publication is subject to the executive secretary's approval of the form of the notice, the newspapers selected for publication, and the specific days of publication;

(4) Conspicuous posting of the notice at the licensed establishment or other redemption location; and

(5) Destruction of the discontinued tokens within ninety days from the completion of the redemption period.

Discontinued chips must be disposed in a manner approved by the executive secretary.

Source: 16 SDR 157, effective October 1, 1989; 25 SDR 95, effective January 20, 1999; 28 SDR 24, effective August 28, 2001.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:20:10.01. Redemption of tickets. A licensed operator who ceases operation of any establishment for any reason must prepare a plan for redeeming tickets that remain outstanding at the conclusion of the final day of business. The licensee must submit the plan in writing to the executive secretary no later than 30 days before the conclusion of the final day of business. The executive secretary may approve the plan or require modifications as a condition of approval. Upon approval of the plan, the licensee must implement the plan as approved. In addition to other provisions the executive secretary may approve or require, the plan must provide the following:

(1) Redemption of outstanding tickets for 90 days after the conclusion of the final day of business or for a longer or shorter period required by the executive secretary;

(2) Redemption of the tickets at the premises of the licensed establishment or at another location approved by the executive secretary;

(3) Publication of notice of the redemption of tickets and the pertinent times and locations of such redemption. The notice must be published in at least two newspapers of general circulation in South Dakota at least twice during each week of the redemption period. Publication is subject to the executive secretary's approval of the form of the notice, the newspapers selection for publication, and specific days of publication; and

(4) Conspicuous posting of the notice of redemption at the licensed establishment or other redemption location.

Source: 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 41-7B-11(11)(13), 42-7B-17.

20:18:20:11. Destruction of counterfeit chips and tokens. As used in this section, "counterfeit chips or tokens" means any chip or token-like objects that have not been approved pursuant to this chapter, including objects commonly referred to as "slugs," but not including coins of the United States or any other nation. Unless a law enforcement officer instructs or a court of competent jurisdiction orders otherwise in a particular case, licensees must destroy or otherwise dispose of counterfeit chips and tokens discovered at their establishments in a manner approved or required by the executive secretary.

Unless a law enforcement officer instructs or a court of competent jurisdiction orders otherwise, licensees may dispose of coins of the United States or any other nation discovered to

have been unlawfully used in their establishments by including them in their coin inventories; in the case of foreign coins, by exchanging them for United States currency or coins and including the exchanged currency or coins in their currency or coin inventories; or by disposing of them in any other lawful manner.

In addition to other information the executive secretary may require, the licensee must record the following information:

(1) The number and denominations, actual and purported, of the coins and counterfeit chips and tokens destroyed or otherwise disposed of pursuant to this section;

(2) The month during which they were discovered;

(3) The date, place, and method of destruction or other disposition, including, in the case of foreign coin exchanges, the exchange rate and the identity of the bank, exchange company, or other business at which or person with whom the coins are exchanged; and

(4) The names of the persons carrying out the destruction or other disposition on behalf of the licensee.

Each licensee must maintain a record required by this section for at least three years, unless the executive secretary approves otherwise.

Source: 16 SDR 157, effective October 1, 1989; 40 SDR 121, effective January 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:20:12. Other devices. Other devices with which gaming is conducted must be designed, manufactured, approved, used, discontinued, destroyed, or otherwise disposed of in accordance with the provisions of this chapter, except that other devices must be of a shape, size, design, or other specifications approved or required by the executive secretary.

Source: 16 SDR 157, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-14, 42-7B-15.

20:18:20:13. Nonvalue roulette chips. The design of nonvalue roulette chips shall be distinctively different than the design of chips and tokens approved for any other limited gaming use at the licensee's gaming establishment. No nonvalue roulette chip may display a word or symbol representing a monetary denomination.

Each nonvalue roulette chip utilized by a licensee shall be issued solely for the purpose of gaming at roulette. All nonvalue roulette chips at each roulette table shall include:

(1) The name of the gaming establishment inscribed on both sides of the chip;

(2) A design, insert, or symbol, on both sides, differentiating it from the nonvalue roulette chips being used at any other roulette table in the establishment; and

(3) The word, roulette, imprinted on both sides.

Nonvalue roulette chips issued at a roulette table may only be used for gaming at that table in the licensee's gaming establishment and may not be used for gaming at any other table in the licensee's gaming establishment. No person at a roulette table shall be issued or permitted to game with nonvalue roulette chips that are identical in color and design to value or nonvalue chips being used by another person at the same table. Nonvalue roulette chips may only be presented for redemption at the table from which nonvalue roulette chips were issued and may not be redeemed or exchanged at any other location in the licensee's gaming establishment. When so presented, the dealer at such table shall exchange the nonvalue chips for an equivalent amount of value chips which may then be used by the patron in other gaming or redeemed as any other value chips.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

CHAPTER 20:18:20.01

CASHIER'S CAGE

Section

- 20:18:20.01:00 Definitions.
- 20:18:20.01:01 Chips and tokens sold for cash only.
- 20:18:20.01:02 Check cashing procedures.
- 20:18:20.01:03 Cashier's cage.
- 20:18:20.01:04 Securing of money bags.
- 20:18:20.01:05 Report of cash overages and shortages to commission.

20:18:20.01.00 Definitions. Terms used in this chapter mean:

(1) "Check," a written, unconditional order to pay or deliver a sum certain in money, drawn on a financial institution, payable on demand, and signed by one or more drawer, whether negotiable or nonnegotiable. A check includes drafts, checks issued through credit institutions (also known as credit card checks and Com-Checks), warrants, negotiable orders of withdrawal, counter checks, and any other means of ordering the payment of money;

(2) "Dishonored," any check which is returned to a licensee (whether actually, or constructively, by delivery to a financial transaction agent) by the financial institution upon which the check was drawn, for any reason pertaining to the inability to honor or pay the instrument;

(3) "Financial institution," a bank, depository, or other person which provides financial, banking, and similar services for investors, depositors, and debtors;

(4) "Financial transaction agent," a factor, collection agent or agency, accounts receivable agent or agency, accountant, or any other type of financial institution, which acts pursuant to an agreement with a licensee whereby the financial transaction agent is charged with securing the collection of any dishonored check from its maker, by any means whether with or without recourse to return the collection account to the licensee as uncollectible.

Source: 25 SDR 172, effective July 11, 1999.

General Authority: SDCL 42-7B-7, 42-7B-11(11)(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(11).

20:18:20.01.01. Chips and tokens sold for cash only. Chips and tokens used for gaming must be sold for cash only. No credit may be extended by a retail licensee. Checks may not be accepted for purchase of chips or tokens at gaming tables.

A retail licensee must redeem its own chips and tokens for cash at the value for which they were sold.

Source: 16 SDR 57, effective October 1, 1989; transferred from § 20:18:21:15, 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-14, 42-7B-15.

20:18:20.01:02. Check cashing procedures. The following procedures must be utilized by any licensee accepting checks:

(1) Each check accepted by a licensee at the cashier's cage must be deposited by the next banking day except where the licensee has a contractual agreement to use an Automatic Clearing House (ACH) for electronic funds transfer. An ACH transaction must be initiated within 24 hours of receipt of the check.

(2) A check for participation in limited gaming by a patron may only be accepted at the cage;

(3) Each check receipted or accepted into the cage must be considered received for participation in limited gaming, unless documented and accounted for separately as nongaming funds;

(4) Once receipted into or accepted at the cage, a check may only be repurchased by the maker of the check after the check has been dishonored by the maker's financial institution;

(5) A check may not be accepted under any conditions, terms, or agreements which render the check not payable on demand; and

(6) No licensee may accept a check issued for participation in limited gaming from any patron under the following circumstance:

When the maker (and endorser of a third-party check, if any) of the check has previously issued a check to the licensee for any purpose, and the licensee has actual notice, or 24 hours of constructive notice, from a financial institution or financial transaction agent that the previous check is dishonored, until such time as licensee's claim against the maker of the check, arising from the dishonored check, is satisfied in full, whether by accord and satisfaction, payment, or liquidation of judgment.

A violation of subdivision (4), (5), or (6) of this section constitutes a violation of SDCL 42-7B-45.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 21, effective August 20, 1992; transferred from § 20:18:21:16, 21 SDR 98, effective November 30, 1994; 25 SDR 4, effective July 27, 1998; 25 SDR 172, effective July 11, 1999; 32 SDR 188, effective May 14, 2006; 34 SDR 100, effective October 18, 2007.

General Authority: SDCL 42-7B-7, 42-7B-11(11)(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(11).

Cross-Reference: Extension of credit prohibited -- Violation as felony, SDCL 42-7B-45.

20:18:20.01:03. Cashier's cage. A licensed gaming establishment must have a cashier's cage whose specifications are approved by the executive secretary.

All doors on the cashier's cage must be locked and all monies, to include cash, checks, coins, tokens, and chips, must be kept out of the reach of the public at all times. Only personnel authorized by the licensee may have access to the cage.

A common retail premises may have a common cashier's cage to serve the businesses in the separate buildings.

Source: 18 SDR 9, effective July 23, 1991; 19 SDR 21, effective August 20, 1992; transferred from § 20:18:21:21, 21 SDR 98, effective November 30, 1994; 22 SDR 95, effective January 18, 1996; 31 SDR 165, effective May 10, 2005.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11.

Cross-Reference: Definitions, common retail premises, § 20:18:01:01.

20:18:20.01:04. Securing of money bags. Money bags containing moneys that are used for gaming machine fills must be secured by a prenumbered nonremovable seal approved by the executive secretary. A prenumbered tag provided by the commission must be attached to the seal. The tag must be completed at the time the bag is sealed. Control of the tags and seals must comply with the Gaming Internal Control and Revenue Reporting Manual located in Appendix A at the end of this article. All other money bags must be sealed in this manner unless the contents are weighed or physically counted by the licensee assuming responsibility of the funds in the presence of the licensee transferring responsibility of the funds.

Source: 19 SDR 21, effective August 20, 1992; transferred from § 20:18:21:22, 21 SDR 98, effective November 30, 1994; 22 SDR 95, effective January 18, 1996.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11.

20:18:20.01:05. Report of cash overages and shortages to commission. A Cage Overage and Shortage Investigation Minimum Procedures form (SDCGF-22.1) must be completed and delivered to the SD Commission on Gaming office in Deadwood within five days of the unresolved overage or shortage where the overage or shortage is \$100 or more.

Source: 19 SDR 21, effective August 20, 1992; transferred from § 20:18:21:23, 21 SDR 98, effective November 30, 1994; 27 SDR 53, effective December 4, 2000; 29 SDR 107, effective February 2, 2003; 32 SDR 32, effective August 30, 2005.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(12), 42-7B-7, 42-7B-11(13).

CHAPTER 20:18:20.02

PROMOTIONAL ITEMS

Section

20:18:20.02:01 Promotional items -- Definitions of specific wager.

20:18:20.02:02 Repealed.

20:18:20.02:03 Matched play items.

Declaratory Ruling:

The Commission on Gaming does hereby declare and determine that promotional money such as Cadillac Cash shall be counted for purposes of calculating gaming tax pursuant to SDCL 42-7B-28. The Commission does further declare and determine that all of the promotional money shall be reported as gross revenue and/or adjusted gross proceeds irregardless of any jackpots attributable to the use of Cadillac Jack's promotional money. South Dakota Commission on Gaming Declaratory Ruling dated June 11, 2007.

20:18:20.02:01. Promotional items -- Definition of specific wager. A licensee who engages in promotions to increase business and gaming at the licensee's business may not deduct payouts made pursuant to the promotion from adjusted gross income except for money, prizes, or tokens paid at face value directly to a patron as the result of a specific wager. A specific wager requires two or more persons to stake something of value on an event, the outcome of which is uncertain. If only one party risks something of value, there is no wager.

Source: 16 SDR 233, effective July 1, 1990; transferred from § 20:18:22:20, 21 SDR 98, effective November 30, 1994; 23 SDR 126, effective February 13, 1997; 25 SDR 172, effective July 11, 1999.

General Authority: SDCL 42-7B-7, 42-7B-11(11).

Law Implemented: SDCL 42-7B-4(2), 42-7B-7, 42-7B-11(11), 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41.

20:18:20.02:02. Approval of promotional items. Repealed.

Source: 16 SDR 233, effective July 1, 1990; transferred from § 20:18:22:21, 21 SDR 98, effective November 30, 1994; repealed, 23 SDR 227, effective July 1, 1997.

20:18:20.02:03. Matched play items. When matched play promotional items are used in a table game, the value of the item must increase fills by 50 percent, and the promotional item must be reflected at its face value in the count. A matched play coupon must have printed on it the name of the issuing establishment, its value, and an explanation of its use. Only coupons authorizing two-for-one payments are permissible.

Source: 16 SDR 233, effective July 1, 1990; 18 SDR 9, effective July 23, 1991; transferred from § 20:18:22:24, 21 SDR 98, effective November 30, 1994; 29 SDR 107, effective February 2, 2003.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

CHAPTER 20:18:21

OPERATION OF GAMING ESTABLISHMENTS

Section

20:18:21:01	Repealed.
20:18:21:02 to 20:18:21:12	Transferred.
20:18:21:13	Repealed.
20:18:21:14 to 20:18:21:24	Transferred.

20:18:21:01. Responsibility of licensee. Repealed.

Source: 16 SDR 57, effective October 1, 1989; repealed, 21 SDR 98, effective November 30, 1994.

20:18:21:02. Transferred to § 20:18:17:28.02.

20:18:21:03. Transferred to § 20:18:12.01:01.

20:18:21:04. Transferred to § 20:18:17:05.01.

20:18:21:05. Transferred to § 20:18:12.01:02.

20:18:21:06. Transferred to § 20:18:12.01:03.

20:18:21:07. Transferred to § 20:18:12.01:04.

20:18:21:08. Transferred to § 20:18:12.01:05.

20:18:21:09. Transferred to § 20:18:15:36.01.

20:18:21:10. Transferred to § 20:18:16:45.01.

20:18:21:11. Transferred to § 20:18:12.01:06.

20:18:21:12. Transferred to § 20:18:12.01:07.

20:18:21:13. Historic resource protection. Repealed.

Source: 16 SDR 57, effective October 1, 1989; repealed, 21 SDR 98, effective November 30, 1994.

20:18:21:14. Transferred to § 20:18:12.01:08.

20:18:21:15. Transferred to § 20:18:20.01:01.

20:18:21:16. Transferred to § 20:18:20.01:02.

20:18:21:17. Transferred to § 20:18:12.01:09.

20:18:21:18. Transferred to § 20:18:12.01:10.

20:18:21:19. Transferred to § 20:18:12.01:11.

20:18:21:20. Transferred to § 20:18:17:28.04.

20:18:21:21. Transferred to § 20:18:20.01:03.

20:18:21:22. Transferred to § 20:18:20.01:04.

20:18:21:23. Transferred to § 20:18:20.01:05.

20:18:21:24. Transferred to § 20:18:12.01:15.

CHAPTER 20:18:22

ACCOUNTING REGULATIONS

Section

20:18:22:01	Definitions.
20:18:22:02	Audit procedures -- Appeal.
20:18:22:03	Procedure for reporting and paying gaming taxes and fees.
20:18:22:04	Accounting records.
20:18:22:05	Records of ownership -- Corporations.
20:18:22:06	Partnership or association records.
20:18:22:07	Sole proprietor records.
20:18:22:08	Record retention -- Noncompliance.
20:18:22:09	Repealed.
20:18:22:10	Audited financial statements -- Requirements for preparation.
20:18:22:11	Reviewed or audited financial statements -- Time for submission.
20:18:22:12	Adjusted gross revenue computations.
20:18:22:13	Transferred.
20:18:22:14	Transferred.
20:18:22:15	Transferred.
20:18:22:16	Repealed.
20:18:22:17	Repealed.
20:18:22:18	Transferred.
20:18:22:19	Tax forms.
20:18:22:20	Transferred.
20:18:22:21	Transferred.
20:18:22:22	No deduction from gross proceeds for promotional items.
20:18:22:23	Non-cashable promo play.
20:18:22:24	Transferred.

20:18:22:01. Definitions. Terms used in this chapter mean:

- (1) "Business year," the annual period used by a licensee for internal accounting purposes;
- (2) "Fiscal year," the period beginning on July 1 and ending June 30 of the following year;
- (3) "Statistical drop," the dollar amount of cash wagered by a patron that is placed in the drop box plus the dollar amount of chips or tokens purchased at a table by a patron;
- (4) "Statistical win," the dollar amount won by the licensee through table play;
- (5) "Wager," a sum of money or thing of value risked on an uncertain occurrence.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:22:02. Audit procedures -- Appeal. The executive secretary's operations division must take the following actions pertaining to audits of licensees:

- (1) Conduct periodic audits or reviews of the books and records of licensees;
- (2) Review the accounting methods and procedures used by licensees;
- (3) Review and observe methods and procedures used by licensees to count and handle cash, chips, tokens, and negotiable instruments;
- (4) Examine and review licensees' internal control procedures;
- (5) Examine accounting and bookkeeping records and ledger accounts of the licensee or a person controlling, controlled by, or under common control with the licensee;
- (6) Examine the books and records of a licensee when conditions indicate the need for the action or on the request of the executive secretary or the commission; and
- (7) Investigate each licensee's compliance with SDCL chapter 42-7B and this article.

The commission staff must conduct audits, prepare an audit report, and submit the report to the commission.

At the conclusion of an audit, the operations division must review the results of the audit with the licensee. Within 10 days after the review, the licensee must submit written reasons why the results of the audit should not be accepted. The commission must consider the submission prior to its determination.

If the operations division finds that the licensee is required to pay additional fees and taxes or finds that the licensee is entitled to a refund of fees and taxes, it must report its findings and the legal basis on which the findings are made to the commission and executive secretary and to the licensee in sufficient detail to enable the commission to determine if an assessment or refund is required.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 177, effective May 27, 1993; 20 SDR 113, effective January 23, 1994; 25 SDR 4, effective July 27, 1998.

General Authority: SDCL 42-7B-7, 42-7B-11(2)(4)(13).

Law Implemented: SDCL 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-17.

Cross-Reference: Auditing, accounting, and review standards, § 20:37:11:07.

20:18:22:03. Procedure for reporting and paying gaming taxes and fees. Taxes and fees required by SDCL 42-7B and this article and all reports relating to them must be received by the executive secretary not later than the due date specified by law, except that the taxes, fees, and reports are considered filed on time if the licensee demonstrates to the satisfaction of the commission that they were deposited in a United States post office or mailbox with first-class postage prepaid, addressed to the executive secretary, within the time allowed for payment of the taxes or fees.

If a licensee finds a reporting error in a tax report which has been previously filed, an amended tax report must be filed along with the correct tax remittance. This report must be filed within five days after the discovery of the error and must reflect the total gaming revenue and statistics for that month. The tax remittance is subject to an interest charge as prescribed in SDCL 42-7B-31.

In addition to the amended report, the licensee must also file a memorandum which explains the basis and calculation of the additional tax due.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 177, effective May 27, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:22:04. Accounting records. A licensee must keep accurate, complete, legible, and permanent records of all transactions relating to revenue that is taxable or subject to fees under SDCL 42-7B and this article in a manner approved or required by the executive secretary. A licensee who keeps permanent records in a computerized form or on microfiche must provide the operations division, on its request, with a detailed index to the microfiche or computer record.

A licensee must keep general accounting records on a double entry system of accounting, maintaining detailed, supporting, subsidiary records, including the following:

(1) Detailed records identifying revenues, expenses, assets, liabilities, and equity for each establishment;

(2) Detailed records of all returned checks;

(3) Individual and statistical game records to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop by table for each table game and to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop for each type of table game, either by shift or by another accounting period approved by the executive secretary, and individual and statistical game records reflecting similar information for all other games;

(4) Slot analysis reports by each machine, which compare actual hold percentages to theoretical hold percentages;

(5) The records required by the internal control procedures applicable to the licensee;

(6) Journal entries prepared by the licensee and its independent accountant; and

(7) Any other records that the executive secretary requires to be maintained.

Each licensee must create and maintain records sufficient to reflect accurately gross income and expenses relating to its gaming operations.

If a licensee fails to keep the records used by it to calculate gross gaming revenue, the executive secretary may compute and determine the amount of taxable revenue on the basis of an

audit conducted by the operations division of any information within the executive secretary's possession or on statistical analysis.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:22:05. Records of ownership -- Corporations. A corporate licensee must keep on the premises of its gaming establishment or must provide to the operations division on its request the following documents relating to the corporation:

- (1) A certified copy of the articles of incorporation and any amendments;
- (2) A copy of the bylaws and any amendments;
- (3) A copy of the certificate issued by the South Dakota secretary of state authorizing the corporation to transact business in South Dakota;
- (4) A list of all current and former officers and directors;
- (5) Minutes of all meetings of the stockholders;
- (6) Minutes of all meetings of directors;
- (7) A list of all stockholders listing each stockholder's name, address, the number of shares held, and the date the shares were acquired;
- (8) The stock certificate ledger;
- (9) A record of all transfers of the corporation's stock; and
- (10) A record of amounts paid to the corporation for issuance of stock and other capital contributions.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:22:06. Partnership or association records. A partnership or association licensee must keep on the premises of its gaming establishment or provide to the operations division on its request the following documents relating to the partnership or association:

- (1) A copy of the partnership or association agreement and, if applicable, the certificate of limited partnership;
- (2) A list of the partners or associates, including their names and addresses, the percentage of interest held by each, the amount and date of each capital contribution of each partner or associate, the date the interest was acquired, and the salary paid by the partnership or association; and
- (3) A record of all withdrawals of partnership or association funds or assets.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:22:07. Sole proprietor records. A sole proprietorship licensee must keep on the premises of the licensee's gaming establishments or provide to the operations division on its request a schedule showing the name and address of the proprietor and the amount and date of the proprietor's original investment and of any additions and withdrawals.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:22:08. Record retention -- Noncompliance. A licensee must provide the operations division on its request with the records required to be maintained. Unless the executive secretary approves or requires otherwise in writing, a licensee must retain all records within South Dakota for at least three years after they are made. Failure to keep and provide the records is grounds for disciplinary action.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994; 40 SDR 121, effective January 6, 2014.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-41.

20:18:22:09. Standard financial statements. Repealed.

Source: 16 SDR 57, effective October 1, 1989; 17 SDR 93, effective January 6, 1991; 18 SDR 9, effective July 23, 1991; 25 SDR 4, effective July 27, 1998; repealed, 34 SDR 100, effective October 18, 2007.

20:18:22:10. Audited financial statements -- Requirements for preparation. The executive secretary may require a licensee to prepare financial statements covering all financial activities of the licensee's establishment for a business year and to engage an independent accountant, licensed by the South Dakota state board of accountancy, to examine or to review the statements in accordance with § 20:37:11:07.

Unless the executive secretary approves otherwise in writing, the statements must be presented on a comparative basis. Consolidated financial statements may be filed by commonly owned or operated establishments, but the consolidated statements must include consolidating financial information or consolidating schedules presenting separate financial statements for each establishment. The accountant must express an opinion on the consolidated financial statements as a whole and shall subject the accompanying consolidating financial information to the auditing procedures applied in the examination of the consolidated financial statements.

Source: 16 SDR 57, effective October 1, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

Cross-Reference: Auditing, accounting, and review standards, § 20:37:11:07.

20:18:22:11. Reviewed or audited financial statements -- Time for submission. Each licensed operator and route operator must submit to the commission one copy of its reviewed financial statements not later than 180 days after the last day of the operator or route operator's business year. In the event of a license termination, a change in the business entity, or a change in the percentage of ownership of more than 20 percent, the operator or route operator or former operator or route operator must, not later than 180 days after the event, submit to the commission one copy of its reviewed financial statements covering the period since the previous statement. If a license termination, a change in the business entity, or a change in the percentage of ownership of more than 20 percent occurs within 180 days after the end of the business year for which statements have not been submitted, the operator or route operator may submit statements covering both the business year and the final period of business. In lieu of reviewed financial statements, an operator or route operator may submit audited financial statements covering the relevant period.

If an operator or route operator changes its business year, the operator or route operator must prepare and submit to the executive secretary reviewed financial statements covering the "stub" period from the end of the previous business year to the beginning of the new business year not later than 180 days after the end of the stub period or incorporate the financial results of the stub period in the statements for the new business year.

Reports that directly relate to the independent accountant's review or audit of the operator or route operator's financial statements must be submitted within 180 days after the end of the operator or route operator's business year.

The executive secretary may request additional information and documents from either the operator or route operator or the operator's or route operator's independent accountant, through the operator or route operator, regarding the financial statements or the services performed by the accountant. Following the executive secretary's review of submitted reviewed financial statements and upon written notice to an operator or route operator specifying the reasons therefor, the executive secretary may require an operator or a route operator to submit audited financial statements for the business year following the year covered by the submitted statements. Failure to submit the requested information or documents may be grounds for disciplinary action.

Any reviewed financial statements or audited financial statements submitted pursuant to this rule shall be prepared in accordance with generally accepted accounting principles. Reviews shall be conducted in accordance with Statements on Standard Accounting Review Services and audits shall be conducted in accordance with Statements on Auditing Standards issued by the American Institute of Certified Public Accountants.

Source: 16 SDR 57, effective October 1, 1989; 20 SDR 113, effective January 23, 1994; 34 SDR 100, effective October 18, 2007; 35 SDR 82, effective October 22, 2008.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-17.

20:18:22:12. Adjusted gross revenue computations. For each blackjack, craps, and roulette game, adjusted gross revenue equals the closing bankroll plus credit slips for cash, chips, or tokens returned to the casino cage, plus face value of any match play coupon, plus drop, plus cashable promo play, plus 90 percent of non-cashable promo play less opening bankroll, less fills to the table, less one-half the face value of any match play coupon.

For each slot machine, adjusted gross revenue equals drop, plus cashable promo play, less fills to the machine jackpot payouts, hand pay credit lockups, vouchers issued, plus 90 percent of non-cashable promo play and vouchers expired. The initial hopper load is not a fill and does not affect gross revenue. The difference between the initial hopper load and the total amount that is in the hopper at the end of each month must be adjusted accordingly as an addition to or subtraction from the gross revenue for that month. If a licensee does not make or makes inaccurate monthly additions to or subtractions from the gross revenue, the operations division may compute an estimated total amount in the slot machine hoppers and may make reasonable adjustments to gross revenue during the course of an audit.

For each poker game, adjusted gross revenue equals all money received by the licensee as compensation for conducting the game. A licensee may not include either shill win or shill loss in gross revenue computations.

For each keno game, adjusted gross revenue equals the difference between the dollar value of tickets written and the dollar value of winning tickets cashed as determined from the automated keno system.

For wagering on sporting events, adjusted gross revenue equals the difference between the dollar value of the tickets written and the dollar value of the winning tickets cashed less free play as set forth in SDCL 42-7B-28.2.

A licensee may not exclude from the gross revenue money paid out on wagers that are knowingly accepted by the licensee in violation of SDCL 42-7B or this article.

If in any month the amount of adjusted gross revenue is less than zero, the licensee may deduct the excess in the succeeding months until the loss is fully offset against gross revenue.

Source: 16 SDR 57, effective October 1, 1989; 19 SDR 177, effective May 27, 1993; 20 SDR 113, effective January 23, 1994; 22 SDR 95, effective January 18, 1996; 30 SDR 115, effective February 1, 2004; 41 SDR 218, effective July 1, 2015; 48 SDR 11, effective August 11, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:22:13. Transferred to § 20:18:12.01:12.

20:18:22:14. Transferred to § 20:18:12.01:13.

20:18:22:15. Transferred to § 20:18:12.01:14.

20:18:22:16. Petitions for redetermination of taxes -- Procedures. Repealed.

Source: 16 SDR 57, effective October 1, 1989; repealed, 19 SDR 177, effective May 27, 1993.

20:18:22:17. Claims for refunds -- Procedures. Repealed.

Source: 16 SDR 64, effective October 11, 1989; repealed, 19 SDR 177, effective May 27, 1993.

20:18:22:18. Transferred to § 20:18:17:01.01.

20:18:22:19. Tax forms. All licensees must remit taxes due and owing on forms provided by the executive secretary.

Source: 16 SDR 64, effective October 11, 1989.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:22:20. Transferred to § 20:18:20.02:01.

20:18:22:21. Transferred to § 20:18:20.02:02.

20:18:22:22. No deduction from gross proceeds for promotional items. No deduction is allowed in the computation of gross gaming proceeds for any prizes, premiums, drawings, benefits, or tickets that are redeemable for money, merchandise, or other promotional allowances.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2, 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-5, 42-7B-7, 42-7B-9, 42-7B-11, 42-7B-17, 42-7B-28, 42-7B-29, 42-7B-30, 42-7B-41, 42-7B-43, 42-7B-45.

20:18:22:23. Non-cashable promo play. Non-cashable promo play is allowed for use on house banked table games and must be generated by a slot management system. Once used the non-cashable promo play may not be retained for subsequent play by the customer. When non-cashable promo play is used on a table game, the total face value of the non-cashable promo must be reflected in the credit portion of the master game sheet (SDCGF-5). When used on table games, a non-cashable promo play coupon must have printed on it the name of the issuing establishment and its monetary worth.

Source: 16 SDR 233, effective July 1, 1990; 17 SDR 93, effective January 6, 1991; 29 SDR 107, effective February 2, 2003; 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(13).

20:18:22:24. Transferred to § 20:18:20.02:03.

CHAPTER 20:18:23

SUITABILITY AND UNSUITABILITY PROCEDURE

(Transferred to Chapter 20:18:07.01)
(21 SDR 98, effective November 30, 1994)

CHAPTER 20:18:24

EXCLUSION LIST

(Transferred to Chapter 20:18:08.01)
(21 SDR 98, effective November 30, 1994)

CHAPTER 20:18:25

BUILDING REGULATIONS

Section

20:18:25:01	Building codes.
20:18:25:02	Inner access.
20:18:25:03	Consideration of history.
20:18:25:04	Information submitted with application.
20:18:25:05	Alterations.
20:18:25:06	Review of safety standards.

Declaratory Rulings:

A structure may constitute two or more buildings for the purpose of determining the number of gaming licenses which may be located within the structure depending upon the structure's configuration, building materials, and condition at the time of licensing or relicensing. The two-or-more-building designation may relate to a "front-to-back" or "side-by-side" configuration. South Dakota Commission on Gaming Declaratory Rulings dated August 9, 1993, and July 11, 1994.

The plans for the Dunbar Retail Area to be located in Deadwood, South Dakota, constitute thirteen buildings for the purposes of determining the number of gaming devices that can be placed within said structures if built according to plans. It is further ordered that the operator or operators thereof, upon proper application and assuming compliance with other rules and regulations for gaming pursuant to SDCL Ch. 42-7B and ARSD Art. 20:18, would be entitled to all rights for a retail license pursuant to SDCL §§ 42-7B-16 and 42-7B-18. South Dakota Commission on Gaming Declaratory Ruling dated July 11, 1995.

The Silverado I, located at 709 Main Street, Deadwood, South Dakota, 57732, constitutes two buildings for the purposes of determining the number of gaming devices that can be placed within said structures. It is further ordered that thirty devices can be placed in each building assuming compliance with other rules and regulations for gaming pursuant to SDCL Ch. 42-7B and ARSD Art. 20:18. South Dakota Commission on Gaming Declaratory Ruling dated July 11, 1995.

The Historic Franklin Hotel, located at 700 Main Street, Deadwood, South Dakota, 57732, constitutes three buildings for the purposes of determining the number of gaming devices that can be placed within said structures, the third building being the Franklin Dining room at 700 Main Street, Deadwood, South Dakota, 57732. It is further ordered that thirty devices can be placed in the Franklin Dining Room in addition to the previous two separate buildings assuming compliance with other rules and requirements for gaming pursuant to SDCL Ch. 42-7B and ARSD Art. 20:18. South Dakota Commission on Gaming Declaratory Ruling dated July 11, 1995.

The building known as the Dakota Territory Saloon owned and operated by Old Irish, Inc., constitutes two buildings front-to-back and not two buildings side-by-side and that thirty machines can be placed within each of the two buildings, front-to-back, assuming compliance with other rules and requirements for such gaming activity. South Dakota Commission on Gaming Declaratory Ruling dated July 19, 1996.

The existing structure wherein the Silver Dollar is operated constitutes but one building and only thirty machines can be placed in such building upon compliance with the other rules and requirements for such gaming activity. South Dakota Commission on Gaming Declaratory Ruling dated July 23, 1996.

The existing structure wherein the Burger King and Painted Pony Casinos are operated constitutes but one building and only thirty machines can be placed in such structure or building assuming compliance with other rules and requirements for such gaming activity. South Dakota Commission on Gaming Declaratory Ruling dated July 23, 1996.

The openings in the common wall/party walls between the Wild West I, II, and III, previously known as the Eagle Bar, the Buffalo Skull, and the Prairie Edge exceed 25 percent of the lineal length of the wall between said structures and do not comply within the statutes of the State of South Dakota and the rules and requirements of the Commission on Gaming. South Dakota Commission on Gaming Declaratory Ruling dated July 29, 1996.

The petitioner, 662 Main, LLC, may open the wall between the Bodega and Lady Luck properties to permit inner access between the two properties by installing a fire door in an opening approximately 6' by 7'8" that complies with the Uniform Building Code requirements. South Dakota Commission on Gaming Declaratory Ruling dated August 1, 1996.

The proposed Gold Mine Resort does not constitute thirteen separate buildings for purposes of determining the number of gaming devices that can be placed within a building pursuant to SDCL chapter 42-7B and ARSD article 20:18 and consequently thirty machines cannot be placed in each building. South Dakota Commission on Gaming Declaratory Ruling dated September 13, 1996.

Abigayle's Restaurant located at 137 Charles Street is a building separate and distinct from the Best Western Hickok House and Abigayle's Restaurant building is entitled to a maximum of thirty gaming devices as provided by SDCL 42-7B-16 and 42-7B-18 assuming proper application for licensure and compliance with all other rules, requirements and statutes pertaining to gaming in Deadwood. South Dakota Commission on Gaming Declaratory Ruling dated December 5, 1996.

The 1893 Martin Mason Building, the 1897 Clark Building, the 1935 Phillips 66 Station, and the 1940's Retail Building each constitutes a building separate and distinct for the purpose of determining the number of gaming devices which can be located within each building. The Commission has also determined that the five openings on the first floor and the openings on the third floor between the 1893 Martin Mason Building and 1897 Clark Building have historical significance and are, therefore, entitled to an exception from the 25 percent inner access opening requirements of the Uniform Building Code providing said openings maintain their current historical dimensions and condition. South Dakota Commission on Gaming Declaratory Ruling dated January 24, 1997.

The proposed project known as the Gold Mine Resort will constitute 13 separate buildings for purposes of determining the number of gaming devices that can be placed within a building assuming compliance with all other applicable rules, regulations, and requirements as they pertain to buildings in Deadwood, South Dakota, and that the proposed inner access between each such building does comply with the requirements of ARSD 20:18:25:02. South Dakota Commission on Gaming Declaratory Ruling dated March 27, 1997.

A proposed entrance building for the Deadwood Gulch Hotel constitutes a building for the purpose of determining the number of gaming devices that can be placed in a structure and that 30 gaming devices can be placed in the building. The Commission has determined that the Black Hills Novelty Company, Inc., of Deadwood, can place one multiple player slot machine on the premises of a newly licensed retail business without being required to license a minimum number of regular slot machines. The Commission also determined that the IGT "Top Dollar" game does not violate the five dollar (\$5.00) bet limit imposed by SDCL 42-7B-14. South Dakota Commission on Gaming Declaratory Ruling dated June 17, 1999.

The arcade/café area located within the Gulches of Fun building in Deadwood does constitute a separate and distinct building for the purposes of determining the number of gaming devices that can be placed within the building. Thirty gaming devices can be placed in the building assuming compliance with all other rules and requirements for such gaming activity. South Dakota Commission on Gaming Declaratory Ruling dated September 20, 1999.

The proposed Casino Six in the Tin Lizzie gaming complex constitutes a building for the purpose of determining the number of gaming devices that can be placed within the structure and 30 gaming devices can be placed in the proposed Casino Six assuming compliance with all other rules and requirements for gaming activities. The Commission on Gaming further determines that the inner access between proposed Casino Six and Casino One and proposed Casino Six and Casino Five can be protected by a water curtain and qualify under the Uniform Building Code as appropriate openings for these buildings. South Dakota Commission on Gaming Declaratory Ruling dated April 18, 2000.

The proposed buildings to be located at 360 and 362 Main Street in Deadwood will constitute six separate and distinct buildings and that 30 gaming devices can be placed within each building assuming compliance with all other rules and requirements for such gaming activity. Also, the underground parking garage is entitled to a variance from the Uniform Building Code requirements that openings between buildings do not exceed 25 percent of the lineal length of the area

separation wall in order to prevent a hazardous condition while exiting the structure. South Dakota Commission on Gaming Declaratory Ruling dated September 28, 2000.

The proposed buildings of the Four Aces Hotel Corporation to be located at 531 Main Street, Deadwood, South Dakota, will constitute four separate and distinct buildings for the purpose of determining the number of gaming devices that can be within the structures pursuant to SDCL chapter 42-7B and ARSD article 20:18 and that 30 gaming devices can be placed in each proposed building assuming compliance with all other rules and requirements for such gaming activity. South Dakota Commission on Gaming Declaratory Ruling dated July 6, 2001.

A structure known as Building Number 3, which is adjacent to the Deadwood Gulch Saloon in Deadwood, South Dakota, constitutes a third building for the purpose of determining the number of gaming devices that can be placed in the building and 30 devices can, therefore, be placed in the structure. Also, the inner access between the front building known as Building Number 2 and the structure known as Building Number 3 qualifies under the Uniform Building Code as an appropriate opening. South Dakota Commission on Gaming Declaratory Ruling dated April 10, 2002.

The portion of the structure located at 681 Main Street, Deadwood, South Dakota, utilized as a restaurant does constitute a third building for purposes of determining the number of gaming devices that can be placed within said structure and 30 devices can, therefore, be placed in said structure assuming compliance with all other rules, statutes, and requirements for such gaming activity. Also, the inner access between the front buildings known as Building No. 1 and Building No. 2 and the portion of the structure now known as Building No. 3 being utilized as a restaurant qualifies under the Uniform Building Code as an appropriate opening if the same is duly protected with an approved water curtain. South Dakota Commission on Gaming Declaratory Ruling dated June 20, 2002.

Construction planned by Deadwood City Limits Development Company does constitute seven buildings and 30 gaming devices may be placed in each such building assuming compliance with all other rules and requirements for gaming, all building codes and regulations, and compliance with all environmental statutes, regulations, and rules regarding construction. The petitioner is also entitled to a variance of the Uniform Building Code and Gaming Commission regulation requirements that buildings be separated by vertical area separation walls, rather than horizontal walls, due to the unique historical aspects of this building. South Dakota Commission on Gaming Declaratory Ruling dated November 5, 2002.

The structure known as 650 Main Street in Deadwood constitutes two buildings for purposes of determining the number of gaming devices that can be placed within each said structure pursuant to SDCL chapter 42-7B and ARSD article 20:18 and that thirty devices can, therefore, be placed in each said structure assuming compliance with all other rules, statutes, and requirements for such gaming activity. The buildings located within the structure are front to back. The inner access between the front building and the back building at 650 Main Street qualifies under the Uniform Building Code as an appropriate opening based upon historical significance and life safety factors. South Dakota Commission on Gaming Declaratory Ruling dated December 23, 2002.

The structures located at 673 and 675 Main Street in Deadwood constitute three buildings for purposes of determining the number of gaming devices that can be placed within each said

structure pursuant to SDCL chapter 42-7B and ARSD article 20:18 and that thirty devices can be placed in each said structure assuming compliance with all other rules, statutes, and requirements for such gaming activity. The three buildings are situated as follows: one building located at 673 Main and two buildings located at 675 Main, front to back. The inner access between the front building at 675 Main Street and the rear building at 675 Main Street qualifies under the Uniform Building Code as an appropriate opening based upon its historical significance and upon life safety factors. South Dakota Commission on Gaming Declaratory Ruling dated December 23, 2002.

The structure known as the Nelson Garage located at 625 Main Street constitutes two buildings, front to back, for purposes of determining the number of gaming devices that can be placed within each said structure pursuant to SDCL chapter 42-7B and ARSD article 20:18 and that thirty devices can be placed in each said structure assuming compliance with all other rules, statutes, and requirements for such gaming activity. The inner access between the front building and rear building located at 625 Main Street qualifies under the Uniform Building Code as an appropriate opening based upon historical significance and life safety factors. South Dakota Commission on Gaming Declaratory Ruling dated December 23, 2002.

The structure located at 68 Main Street, Deadwood, South Dakota, constitutes two separate and distinct buildings, side by side, for purposes of determining the number of gaming devices that may be placed within said structures pursuant to SDCL chapter 42-7B and the Administrative Rules of South Dakota, article 20:18, and that 30 devices can be placed in each structure assuming compliance with all other rules, statutes and requirements for such gaming activity. Also the inner access between the two buildings is entitled to a variance from the Uniform Building Code opening requirements due to security and life safety, if the same is duly protected with an approved water curtain. South Dakota Commission on Gaming Declaratory Ruling dated March 20, 2004.

The properties located at 153, 155 and 157 Sherman Street, Deadwood, South Dakota, constitute three separate and distinct buildings for purposes of determining the number of gaming devices that can be placed within said structures pursuant to SDCL chapter 42-7B and the Administrative Rules of South Dakota, article 20:18, and that the buildings be identified as follows: the Mother Lode Casino - building one; Depot Casino - building two; and Depot Restaurant - building three, and that 30 devices can therefore be placed in each said structure assuming compliance with all other rules, statutes and requirements for such gaming activity. The Commission does further declare and determine that the inner access between building number two - the Depot Casino, and building number three - the Depot Restaurant, qualifies for variance under the Uniform Building Code inner access opening requirements based upon security and life safety, if duly protected with an approved water curtain. The Commission does further declare and determine that the granting of the multiple building designation and variance from inner access requirements is conditioned upon petitioner's removing the roll-down fire wall between building number one - the Mother Lode Casino, and building number three - the Depot Restaurant, and installing an approved water curtain or sprinkler system. South Dakota Commission on Gaming Declaratory Ruling dated March 30, 2004.

The property located at 688 Main Street, Deadwood, South Dakota, constitutes two separate and distinct buildings for purposes of determining the number of gaming devices that can be placed within said structure pursuant to SDCL chapter 42-7B and the Administrative Rules of South Dakota, article 20:18, and that 30 devices can, therefore be placed in each said structure assuming

compliance with all other rules, statutes and requirements for such gaming activity. South Dakota Commission on Gaming Declaratory Ruling dated April 14, 2004.

The proposed inner access between Buildings 6 and 7 in the Four Aces gaming complex at 531 Main Street, Deadwood, South Dakota, qualifies as an appropriate inner access opening pursuant to ARSD 20:18:25:02 assuming the same is protected by an approved water curtain. South Dakota Commission on Gaming Declaratory Ruling dated June 21, 2004.

The new construction proposed at property located at 270 Main Street, Deadwood, South Dakota, will constitute five buildings for the purpose of determining the number of gaming devices that can be placed within said structures pursuant to SDCL chapter 42-7B and ARSD 20:18, et seq. and that 30 gaming devices can be placed in each of the buildings assuming compliance with other rules and requirements for such gaming activities. The Commission does further declare and determine that said declaratory ruling is specifically conditioned on petitioner inserting water curtains to protect all otherwise unprotected openings or inner access between said buildings. South Dakota Commission on Gaming Declaratory Ruling dated December 23, 2004.

The properties and plans proposed by GR Deadwood, LLC, to be located as an addition to the existing Mineral Palace in Deadwood, South Dakota, constitute eight separate and distinct buildings for purposes of determining the number of gaming devices that can be placed within said structures pursuant to SDCL chapter 42-7B and ARSD 20:18, et seq. and that thirty gaming devices can be placed in each of the buildings assuming compliance with other rules and requirements for such gaming activities. The Commission does further declare and determine that the inner access between buildings 1, 4 and 7 on the second floor, and buildings 6 and 8 on the second floor qualify for variance under the Uniform Building Code inner access opening requirements based upon security and life safety, if duly protected with approved water curtains. The Commission does further declare and determine that the granting of the multiple building designation and variance from inner access requirements are conditioned upon petitioner further installing water curtains between the openings or inner access between the buildings on the first floor of the proposed structure and further agreeing not to maintain gaming on the second floor of said structure. South Dakota Commission on Gaming Declaratory Ruling dated December 23, 2004.

The structure located adjacent to the Deadwood Gulch Resort located on south Highway 85, Deadwood, South Dakota, being the former location of the sauna and hot tub facility, constitutes a separate and distinct building for purposes of determining the number of gaming devices that can be placed within said structure pursuant to SDCL chapter 42-7B and ARSD 20:18, et seq. and that 30 devices can be placed in said building assuming compliance with all other rules and requirements for such gaming activities. The Commission does further declare and determine that the inner access between said building and existing retail establishment owned by petitioner may be protected by a water curtain and would, therefore, qualify under the Uniform Building Code as an appropriate opening or inner access between the buildings. South Dakota Commission on Gaming Declaratory Ruling dated July 6, 2005.

The structure known as the Star of the West Room located within the Franklin Hotel constitutes a separate building for the purposes of determining the number of gaming devices that can be placed within said structure pursuant to SDCL chapter 42-7B and ARSD 20:18, et seq.; and that 30 gaming devices can be placed in said building, assuming compliance with all rules and

requirements for such gaming activities. The Commission does further declare and determine that the inner access between the Star of the West Room and the Franklin lobby is an historical opening and therefore qualifies for a variance under the Uniform Building Code inner access opening requirements based upon historical reasons, if duly protected with an approved water curtain. The Commission does further declare and determine that the inner access between the Star of the West Room and Callahan's Bar qualifies for a variance under the Uniform Building Code inner access opening requirements based upon security and life safety, if duly protected with an approved water curtain. South Dakota Commission on Gaming Declaratory Ruling dated August 10, 2005.

The structure known as the McKenna's Gold garage area situated adjacent to the gaming establishment known as McKenna's Gold at 470 Main Street, Deadwood, South Dakota, constitutes a separate building for the purposes of determining the number of gaming devices that can be placed within said structure pursuant to SDCL Chapter 42-7B and ARSD 20:18, et seq.; and that 30 gaming devices can be placed in said building, assuming compliance with all other rules and requirements for such gaming activities. The Commission does further declare and determine that the inner access between McKenna's Gold and McKenna's Gold garage area qualifies for a variance under the Uniform Building Code inner access opening requirements based upon life safety and security purposes, if duly protected with either an approved water curtain or an approved fire door, and also contingent upon the removal of the interior walls so as to improve visibility into the new building. South Dakota Commission on Gaming Declaratory Ruling dated September 26, 2005.

Donna Kellar would be entitled to up to three retail licenses in her own name upon proper application with the South Dakota Commission on Gaming and that the granting of such retail licenses would not give her or her husband, Ken Kellar, an interest in more than three retail licenses due to their separate and distinct financial interests and their prenuptial agreement. The Commission does further declare and determine that this declaratory ruling is specifically conditioned upon Donna Kellar's agreement that none of the proceeds of any subsequent retail license would be given to or shared with, directly or indirectly, her husband Ken Kellar and that she agrees to file with the Commission on Gaming copies of her 2004 tax returns and updated financial statements. South Dakota Commission on Gaming Declaratory Ruling dated December 31, 2005.

The existing structure at the Franklin Hotel known as the "1924 Expansion" constitutes a separate building for the purposes of determining the number of gaming devices that can be placed within said structure pursuant to SDCL Ch. 42-7B and ARSD 20:18, et seq.; and that 30 gaming devices can be placed in said building, assuming compliance with all other rules and requirements for such gaming activity; and

That the proposed new construction at the Franklin Hotel to be known as the "Lobby Expansion" can be used for gaming purposes under the authority of the existing gaming license assigned to the Lobby provided that no more than 30 gaming devices are utilized in the Lobby with the Lobby expansion and assuming compliance with all other rules and requirements for such gaming activity; and

That the proposed new construction at the Franklin Hotel known as "Gaming" would constitute a separate and distinct building for the purposes of determining the number of gaming devices that can be placed within said structure pursuant to SDCL Ch. 42-7B and ARSD 20:18, et

seq.; and that 30 gaming devices could be placed in said building, assuming compliance with all other rules and requirements for such gaming activity; and

That the building known as "Callahan's" which is currently assigned an existing gaming license may be expanded as proposed and that the entire area can be used for gaming purposes under the existing Callahan's license which permits up to 30 gaming devices; and

That the proposed inner access between the existing buildings, proposed two new buildings and proposed expansions of the Lobby and Callahan's qualify as appropriate openings under the Uniform Building Code and the rules related to gaming and buildings in Deadwood with the exception of one opening between the proposed Callahan's expansion and the Lobby which would qualify for a variance based upon historical factors pursuant to ARSD 20:18:25:02. South Dakota Commission on Gaming Declaratory Ruling dated December 31, 2005.

The proposed new construction of Deadwood Resorts, LLC, to be located at Highway 85 and Mount Roosevelt Road, Deadwood, South Dakota, constitutes 12 separate and distinct buildings for the purposes of determining the number of gaming devices that can be placed within said structures pursuant to SDCL Ch. 42-7B and ARSD 20:18, et seq.; and that 30 gaming devices can be placed in each proposed building, assuming compliance with all other rules and requirements for such gaming activities. The Commission does further declare and determine that the inner access between proposed building 12 and proposed building 3 does not qualify for a variance from the 25 percent rule pursuant to ARSD 20:18:25:02 on the basis of life safety. South Dakota Commission on Gaming Declaratory Ruling dated January 10, 2006.

The Martin-Mason Building was constructed in 1893 and the existing third floor addition to the Martin-Mason Building was constructed in 1897 and constitutes a separate building for the purposes of determining the number of gaming devices that can be placed within said structure pursuant to SDCL chapter 42-7B and ARSD article 20:18, et seq.; and that said building should be comprised of the third floor over both the Martin-Mason Building as well as the building adjacent thereto known as the Clark Building; and that 30 gaming devices can be placed in said building, assuming compliance with all other rules and requirements for such gaming activity. South Dakota Commission on Gaming Declaratory Ruling dated April 6, 2006.

The three existing structures known as Old Town Hall located at 12 Lee Street in Deadwood constitute three separate and distinct buildings for the purpose of determining the number of gaming devices that can be placed within each said structure pursuant to SDCL 42-7B and ARSD article 20:18, et seq.; and that 30 gaming devices can be placed in each said building, assuming compliance with all other rules and requirements for such gaming activity; and

That the inner access between the front building known as Building 1 and the back building known as Building 3 is an historical opening and, therefore, qualifies for an exception based upon historical factors pursuant to ARSD 20:18:25:02 provided the opening is protected by a water curtain. South Dakota Commission on Gaming Declaratory Ruling dated April 6, 2006.

The building known as the "Old Bar" located adjacent to the Deadwood Gulch Resort on South Highway 85, Deadwood, South Dakota, constitutes a separate building for the purposes of determining the number of gaming devices that can be placed within said structure pursuant to

SDCL Ch.42-7B and ARSD 20:18 et seq. and that 30 gaming devices can be placed in said building, assuming compliance with all other rules and requirements for such gaming activity; and that the inner access between the structure known as the "Old Bar" and the Deadwood Gulch Resort may be protected by a water curtain and properly qualifies as an appropriate opening under the Uniform Building Code. South Dakota Commission on Gaming Declaratory Ruling dated September 28, 2006.

The proposed new construction situated on the foundation and the location of the building currently existing on the west end of the Gallows located at 12 Lee Street in Deadwood, South Dakota, shall constitute an additional building for purposes of determining the number of gaming devices that can be placed within said structure, pursuant to SDCL chapter 47-7B and ARSD 20:18, et seq.; and that 30 devices can be placed in said structure assuming compliance with all other rules and requirements for such gaming activity; and the Commission does further declare and determine that the two interior openings proposed between the new structure and the main building may be protected by a water curtain and qualify under the International Building Code as appropriate openings. South Dakota Commission on Gaming Declaratory Ruling dated December 21, 2006.

The proposed new construction to be located at 196 Cliff Street, Deadwood, South Dakota, also known as the Super 8 Motel, shall constitute one separate and distinct building for the purpose of determining the number of gaming devices that can be placed within said structure, pursuant to SDCL chapter 42-7B and ARSD 20:18, et seq.; and that 30 devices can be placed in said structure assuming compliance with all other rules and requirements for such gaming activities; and the Commission does further declare and determine that the openings between the new proposed building and the existing retail gaming establishment may be protected by water curtains and qualify under the International Building Code as appropriate openings. South Dakota Commission on Gaming Declaratory Ruling dated December 21, 2006.

The area known as the stairway to the second floor of the HiKee Building in the Deadwood Gulch Saloon gaming facility in Deadwood, South Dakota, should properly be a part of Building III instead of Building II based upon new information and evidence, and that the area known as the stairway can be utilized for gaming purposes in Building III assuming compliance with all rules and requirements for such gaming activity; and the Commission does declare and determine that the inner access between Building III and the area known as the stairway and the proposed inner access between the area known as the stairway and Building II will qualify as appropriate openings under the International Building Code and may be protected by water curtains. South Dakota Commission on Gaming Declaratory Ruling dated December 21, 2006.

The proposed new construction situated on the foundation and the location of the building currently existing on the west end of the Gallows located at 12 Lee Street in Deadwood, South Dakota, shall constitute an additional building for purposes of determining the number of gaming devices that can be placed within said structure, pursuant to SDCL chapter 47-7B and ARSD 20:18, et seq.; and that 30 devices can be placed in said structure assuming compliance with all other rules and requirements for such gaming activity; and the Commission does further declare and determine that the two interior openings proposed between the new structure and the main building may be protected by a water curtain and qualify under the International Building Code as appropriate openings. South Dakota Commission on Gaming Declaratory Ruling dated December 21, 2006.

The proposed new construction to be located at 196 Cliff Street, Deadwood, South Dakota, also known as the Super 8 Motel, shall constitute one separate and distinct building for the purpose of determining the number of gaming devices that can be placed within said structure, pursuant to SDCL chapter 42-7B and ARSD 20:18, et seq.; and that 30 devices can be placed in said structure assuming compliance with all other rules and requirements for such gaming activities; and the Commission does further declare and determine that the openings between the new proposed building and the existing retail gaming establishment may be protected by water curtains and qualify under the International Building Code as appropriate openings. South Dakota Commission on Gaming Declaratory Ruling dated December 21, 2006.

The area known as the stairway to the second floor of the HiKee Building in the Deadwood Gulch Saloon gaming facility in Deadwood, South Dakota, should properly be a part of Building III instead of Building II based upon new information and evidence, and that the area known as the stairway can be utilized for gaming purposes in Building III assuming compliance with all rules and requirements for such gaming activity; and the Commission does declare and determine that the inner access between Building III and the area known as the stairway and the proposed inner access between the area known as the stairway and Building II will qualify as appropriate openings under the International Building Code and may be protected by water curtains. South Dakota Commission on Gaming Declaratory Ruling dated December 21, 2006.

The basement floor of the Clark Building constitutes a separate building for purposes of determining the number of gaming devices that can be placed within the Clark Building based upon historical evidence and that 30 devices can be placed in the basement level of such building assuming compliance with the other rules and requirements for gaming activity specifically including compliance with the recommendations of Spencer Ruff as set forth in his letters to Mark Aspaas dated March 1, 2007, Hearing Exhibit 3, and January 3, 2007, Hearing Exhibit 5. The Commission does further declare and determine that the inner access between the basement level and the first level of said building constitutes an appropriate opening under the International Building Code and that the same can be protected by a water curtain. South Dakota Commission on Gaming Declaratory Ruling dated March 26, 2007.

The plans by Petitioner (Deadwood Resorts LLC) do not meet the definition of a covered mall building including anchor buildings under the 2003 International Building Code as Buildings 1 through 9 should be considered tenant spaces and not anchor buildings. The Commission does further declare and determine that approving Petitioner's plan as proposed would give them an unfair competitive advantage over existing licensed retail establishments in violation of SDCL 42-7B-2.1(1) in that the openness would provide an opportunity to be more profitable over other existing licensed retail establishments. The Commission does further declare and determine that the proposed Buildings 1 through 9 as seen on Petitioner's plan, Exhibit 1, should all be considered part of the same covered mall and would, therefore, constitute but a single building for purposes of determining the number of gaming devices allowed. South Dakota Commission on Gaming Declaratory Ruling dated December 11, 2007.

The existing structure known as Pineview Apartment Building located at 25 Lee Street, Deadwood, South Dakota, constitutes two separate and distinct buildings for purposes of determining the number of gaming devices that can be placed within said structures pursuant to SDCL chapter 42-7B and ARSD 20:18 et seq. and that 30 gaming devices can be placed in each of

said buildings, assuming compliance with all other rules and requirements for such gaming activity; and the Commission does further declare and determine that Petitioner's plans for a proposed building at 19 Lee Street, Deadwood, South Dakota, would constitute one separate and distinct building for the purposes of determining the number of gaming devices that can be placed within said structure upon completion pursuant to SDCL chapter 42-7B and ARSD 20:18 et seq. and that 30 gaming devices may be placed in said building upon completion, assuming compliance with all other rules and requirements for such gaming activity; and the Commission does further declare and determine that the openings between the two separate and distinct buildings at 25 Lee Street and the separate proposed structure at 19 Lee Street will not exceed 25 percent of the lineal length of the walls between them and that such openings may be protected by either water curtains or fire doors. South Dakota Commission on Gaming Declaratory Ruling dated June 26, 2008.

A request for a variance of the inner access requirements between buildings two and three for the Lodge at Deadwood structure to be located at 100 Pine Crest, Deadwood, South Dakota, is granted based upon life safety considerations and that the proposed opening between buildings two and three as set forth in Petitioner's plans attached to the Petition for Declaratory Ruling may be up to eight feet in width. South Dakota Commission on Gaming Declaratory Ruling dated December 13, 2008.

The plans as proposed by Petitioner for The Lodge of Deadwood structure to be located at 100 Pine Crest, Deadwood, South Dakota, and set forth within their Amended Petition for Hearing dated November 12, 2008, as remanded, constitute 10 separate and distinct buildings for purposes of determining the number of gaming devices that can be placed within said structures pursuant to SDCL chapter 42-7B and ARSD 20:18 et seq., and that 30 gaming devices can be placed in each of said building, assuming compliance with all other rules and requirements for such gaming activity. South Dakota Commission on Gaming Declaratory Ruling dated December 13, 2008.

Based upon structural evidence of the original construction of Cadillac Jack's Casino, Proposed Gaming Rooms 7 and 8, within the Cadillac Jack's Casino constitute separate and distinct buildings for purposes of determining the number of gaming devices that can be placed within Cadillac Jack's Casino located at 360 Main Street, Deadwood, South Dakota; and

Thirty devices can be placed in each building assuming compliance with all other rules and requirements for such gaming activity; and

The inner access between existing building 1 and proposed building 7 and between proposed buildings 7 and 8 qualify as appropriate openings pursuant to ARSD 20:18:25:02 regarding inner access; and

This Declaratory Ruling is specifically conditioned on the Commission's specific finding that Proposed Building 8 structurally constitutes a building for gaming purposes but that no gaming may be allowed in Proposed Building 8 in its current configuration as a swimming pool and recreation area and that gaming may be allowed in said area in the future only upon Petitioner's compliance with the provisions of SDCL 42-7B-18 including but not limited to identification of the retail floor plan and appropriate approvals. South Dakota Commission on Gaming Declaratory Ruling dated July 1, 2009.

The Commission on Gaming does hereby declare and determine that based upon historical and structural evidence:

1. The building known as the Bodega Bar located at 664 Main Street, Deadwood, South Dakota, constitutes two separate and distinct buildings, front to back, for purposes of determining the number of gaming devices that can be placed within each building and 30 devices can be placed in each building assuming compliance with all other rules and requirements for such gaming activity; and

2. The inner access between the front building and the back building at the Bodega Bar constitutes a historical opening and thus qualifies for a variance from the requirements of the International Building code regarding inner access pursuant to ARSD 20:18:25:02 conditioned upon Petitioner installing an appropriate water curtain and decorative wall over the existing decorative partition; and

3. Based upon amended Exhibit C, the inner access between the two buildings in the Bodega facility and the adjacent gaming facility in the Buffalo Bar qualify as appropriate inner access pursuant to ARSD 20:18:25:02 and shall be protected with water curtains. South Dakota Commission on Gaming Declaratory Ruling dated September 23, 2009.

The Commission on Gaming does hereby declare and determine :

1. That B. Y. Development, Inc. may alter Building 8 in the manner shown on Exhibit C by enclosing an area within Building 8 to be utilized for gaming purposes; and

2. That upon altering Building 8 in the manner shown on Exhibit C, gaming may take place within the enclosed area assuming compliance with all other rules and requirements for such gaming activities pursuant to SDCL Ch. 42-7B and ARSD 20:18; and

3. That the inner access Building 7 and Building 8 as set forth on Exhibit C qualifies as appropriate openings pursuant to ARSD 20:18:25:02 regarding inner access. South Dakota Commission on Gaming Declaratory Ruling dated September 26, 2011.

The Commission on Gaming does hereby declare and determine that: Pai Gow Poker may be authorized for play in casinos in South Dakota as a variation of poker on the condition that the Commission formally promulgate rules for the play of the game of Pai Gow Poker. South Dakota Commission on Gaming dated this 26th day of September, 2011.

20:18:25:01. Building codes. Buildings must comply with international building codes. Existing buildings, new construction, and remodeling of existing buildings must comply with the International Building Code, including appendix chapters, 2009 edition.

Source: 16 SDR 239, effective July 10, 1990; 17 SDR 93, effective January 6, 1991; 19 SDR 21, effective August 20, 1992; 22 SDR 189, effective July 11, 1996; 33 SDR 63, effective October 18, 2006; 38 SDR 172, effective April 23, 2012.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-18.

Reference: International Building Code, including appendix chapters, the 2009 edition. Copies may be obtained from the International Code Council, Inc., Publications, 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795. Phone: 1-800-786-4452 or www.iccsafe.org; \$85.50 for members and \$114 for nonmembers.

20:18:25:02. Inner access. If two buildings are adjacent and share a common or party wall, there may be inner access if it complies with the International Building Code, 2009 edition. The commission may vary from the requirements of the International Building Code regarding inner access based upon historical, security, or life safety factors as determined by the commission.

Source: 16 SDR 239, effective July 10, 1990; 19 SDR 21, effective August 20, 1992; 22 SDR 189, effective July 11, 1996; 33 SDR 63, effective October 18, 2006; 38 SDR 172, effective April 23, 2012.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(13), 42-7B-18.

Reference: International Building Code, including appendix chapters, the 2009 edition. International Code Council, Inc., Publications, 4051 West Flossmoor Road, Country Club Hills, IL 60478-5795. Phone: 1-800-786-4452 or www.iccsafe.org; \$85.50 for members and \$114 for nonmembers.

Declaratory Rulings A proposed underground parking garage located at 360-362 Main Street, Deadwood, South Dakota, is entitled to a variance from the UBC requirements that openings between buildings do not exceed 25 percent of the lineal length of the area separation wall in order to prevent a hazardous condition and to otherwise allow for the safe exiting of people and vehicles. South Dakota Commission on Gaming Declaratory Ruling dated September 28, 2000.

The Commission on Gaming does hereby declare that the proposed inner access between Buildings 6 and 7 in the Four Aces gaming complex at 531 Main Street, Deadwood, South Dakota, qualifies as an appropriate inner access opening pursuant to § 20:18:25:02 assuming the same is protected by an approved water curtain. South Dakota Commission on Gaming Declaratory Ruling dated June 21, 2004.

The Commission on Gaming does hereby declare and determine that the retail floor plans and buildings set forth in Petitioner's Exhibit 1 for Full House, Inc., 688 Main Street, Deadwood, South Dakota, are approved. The Commission does further declare and determine that petitioner is entitled to a variance from the inner access requirement between the two buildings based upon life safety factors conditioned upon installation of a water curtain between the buildings. South Dakota Commission on Gaming Declaratory Ruling dated July 20, 2004.

20:18:25:03. Consideration of history. The history of a building may be considered by the commission in the licensing process. The history may include information found in abstracts of title, photographs, maps, original plans, designs and blueprints, newspaper clippings, statements, or any other credible information relating to the building.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-

19.

20:18:25:04. Information submitted with application. Information relating to a building, including mechanical, electrical, building cross-sections, scale drawings, and floor plans must be submitted with an application.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-

19.

Cross-Reference: Applications, § 20:18:06:01.

20:18:25:05. Alterations. Floor plans or proposed alterations or subdivisions of an existing building must be submitted to the commission for approval. Alteration or subdividing of a building for the purpose of securing additional gaming devices is prohibited.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-

19.

20:18:25:06. Review of safety standards. The executive secretary under the direction of the commission may conduct a review of every building licensed by the Commission on Gaming to determine if the buildings meet the following standards:

- (1) Electrical installations in chapter 20:44:05;
- (2) The state plumbing code in article 20:54;
- (3) Safety requirements for boilers found in chapter 61:08:05;
- (4) The fire safety standards found in chapter 61:15:01;
- (5) The handicapped accessibility standards set forth in SDCL 5-14-12 and 5-14-13; and
- (6) Safety glazing standards established by SDCL 34-28-5 to 34-28-7, inclusive.

The executive secretary may consult with boards, commissions, and persons as the executive secretary considers necessary, including state agencies, to determine compliance with the safety provisions of this section.

If a licensee is found to have a building that does not meet one or more of the standards set forth in this section, the commission may adopt a resolution ordering compliance by a certain date. The commission may place special conditions on a license or a renewal of a license to enforce its resolution. Failure to comply with the resolution or to meet the conditions imposed by the commission is grounds for revocation of the license.

A licensee may contest the resolution adopted by the commission, and the commission shall grant the licensee a hearing. The hearing is a contested case under SDCL 1-26.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-4, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19.

CHAPTER 20:18:26

FORECLOSURES

Section

- 20:18:26:01 Licensing of financial institutions.
- 20:18:26:02 Requirements for foreign financial institutions.
- 20:18:26:03 Commission may limit license.

20:18:26:01. Licensing of financial institutions. A financial institution that has a security interest in gaming devices or licensed gaming premises and that has foreclosed its interest in the devices or premises, and has obtained title to them or has certified a default and its intent to exercise rights to possession under the terms of the security interest may be licensed by the commission on an emergency basis, with or without or during a background investigation, after receipt of the application and payment of fees.

Source: 16 SDR 233, effective July 1, 1990; 23 SDR 126, effective February 13, 1997.

General Authority: SDCL 42-7B-7, 42-7B-11.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-21, 42-7B-22, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-33.

Cross-Reference: Qualifications for licensee as operator or retailer, SDCL 42-7B-25.

20:18:26:02. Requirements for foreign financial institutions. A financial institution, not a resident of South Dakota, may designate a person who is a resident as its conservator to protect the financial institution's interests in its loan security. The conservator must be licensed by the commission as an operator or a retail licensee to manage the foreclosed gaming devices or licensed gaming premises. After foreclosure is completed or default certified pursuant to § 20:18:26:01, the financial institution, must agree that conservator be authorized, in the conservator's own name, to exercise possession and control of the property, to operate it under the rules of the commission, to receive the rents and profits from the operation and perform such acts as the commission may authorize to protect the interests of the financial institution in the property and rents and profits therefrom. The commission may grant a license to a conservator on an emergency basis, with or without or during a background investigation, after receipt of the application and payment of fees.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-21, 42-7B-22, 42-7B-23, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-33, 42-7B-34, 42-7B-37, 42-7B-38.

20:18:26:03. Commission may limit license. The commission may place conditions on the license of a financial institution conservator and may limit the amount of time the financial institution or conservator may hold the license. The limitations must contemplate the protection of the collateral and the business interests and provide for orderly disposition of the collateral and gaming business.

Source: 16 SDR 233, effective July 1, 1990.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-18, 42-7B-19, 42-7B-21, 42-7B-22, 42-7B-23, 42-7B-24, 42-7B-25, 42-7B-26, 42-7B-33, 42-7B-34, 42-7B-37, 42-7B-38.

CHAPTER 20:18:27

GAMING COMPACT WITH RECOGNIZED INDIAN TRIBES

Section

20:18:27:01 Authorizations to act under compact.

20:18:27:01. Authorizations to act under compact. The executive secretary and other commission employees may perform duties imposed upon them by the compacts between the State of South Dakota and recognized Indian tribes in South Dakota. The commission may perform the duties imposed upon it by the compacts.

Source: 17 SDR 93, effective January 6, 1991; 19 SDR 21, effective August 20, 1992.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-4, 42-7B-7, 42-7B-11.

Note: The compacts between the State of South Dakota and recognized Indian tribes in South Dakota are on file at the office of the Secretary of State, State Capitol, 500 East Capitol, Pierre, South Dakota 57501, and copies of the compacts may be obtained from the Secretary of State for a fee of 50 cents per page (See SDCL 1-8-10).

CHAPTER 20:18:28

STORING, DISPLAYING, AND TRANSPORTING SLOT MACHINES

(Transferred to Chapter 20:18:18.02.)

(21 SDR 98, effective November 30, 1994)

CHAPTER 20:18:29

SECURITY AND SURVEILLANCE

Section

20:18:29:01	Security and surveillance required.
20:18:29:02	Closed-circuit surveillance system.
20:18:29:03	Areas requiring surveillance during hours of operation.
20:18:29:03.01	Visual surveillance for tournament play.
20:18:29:04	Additional surveillance of cashier's cages, slot areas, and count rooms.
20:18:29:05	Slot machines with award capability of \$12,000 or greater.
20:18:29:06	Recording and monitoring.
20:18:29:07	Surveillance equipment malfunctions.
20:18:29:08	Securing and retaining recorded video images.
20:18:29:09	Repealed.
20:18:29:10	Number of recorders.
20:18:29:11	Surveillance plan.
20:18:29:12	Maintenance records.
20:18:29:13	Surveillance room.
20:18:29:14	Quality review of recorded surveillance video images.

20:18:29:01. Security and surveillance required. A licensee must provide a security and surveillance system that meets the standards in this chapter. The executive secretary may grant extensions of time to permit the licensee to comply with this chapter. The executive secretary or the commission may grant extensions of time upon a showing that appropriate equipment or time for installation of equipment is not available. The executive secretary or the commission may require the licensee to modify an existing system to comply with this chapter. The licensee must allow the executive secretary, the commission, or its agent free access to the system, premises, and signal at any time.

Source: 19 SDR 195, effective June 21, 1993.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11(2), 42-7B-17, 42-7B-18, 42-7B-32.

20:18:29:02. Closed-circuit surveillance system. A licensee must install, maintain, and operate a closed-circuit surveillance system of sufficient quality to produce clear video image and still picture reproduction. The quality of the picture and recordings must be approved by the commission, the executive secretary, or its agents. The system must include the following:

(1) Date and time generators that display the date and time of the recorded events on each video image recording. The displayed date and time may not obstruct the recorded view;

(2) Digital video recorders may be used provided they are approved by the executive secretary prior to installation. The recording must be downloadable, in the same format as it was

originally recorded, to a storage device that is approved by the executive secretary. Any specialized viewing or authentication software must be made available to the commission staff prior to installing any systems;

(3) Any monitor screen approved by the executive secretary;

(4) Cameras equipped with lenses of sufficient magnification and clarity to allow the viewer to clearly distinguish the value of currency, coins, gaming chips, playing cards, and outcome of the game and to effectively and clandestinely monitor in detail and from various vantage points those areas in § 20:18:29:03; and

(5) Adequate lighting in all areas where closed-circuit camera coverage is required to enable clear video image and still picture reproduction.

Source: 19 SDR 195, effective June 21, 1993; 22 SDR 95, effective January 18, 1996; 22 SDR 189, effective July 11, 1996; 28 SDR 24, effective August 28, 2001; 35 SDR 184, effective February 2, 2009; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-7, 42-7B-11(2), 42-7B-11(13), 42-7B-17.

20:18:29:03. Areas requiring surveillance during hours of operation. The surveillance system must monitor and record clear, unobstructed, and overall views of the following areas and meeting the specified performance requirements within the licensed premises during the hours of operation:

(1) Blackjack and poker areas, equipped with a pan, tilt, and zoom camera capable of observing players and employees;

(2) Blackjack and poker tables, equipped with one still camera for each table capable of observing card table surfaces, including table bank trays;

(3) Table numbers;

(4) Players, dealers, spectators, and pit personnel with sufficient clarity to permit identification;

(5) Cashier's cages, including customers at the cage window, employee's window, cash drawers, vaults, safes, counters, chip storage, and fill window of the cashier's cage. The table game fill window of the cashier's cage and poker podium must be recorded in color. Each cash transaction occurring within the cage must be recorded with sufficient clarity to permit identification of currency, coins, tokens, fill slips, and other related paperwork;

(6) Areas within a count room, including walls, doors, scales, wrapping machines, coin sorters, stored drop boxes, vaults, safes, general work areas, and entrances to the room. Recording in the soft count rooms must include audio;

(7) Poker podium, each transaction occurring at the poker podium must be recorded with sufficient clarity to permit identification of currency, coins, tokens, fill slips, and other related paperwork;

(8) If the license allows bets in excess of \$100 on blackjack or house banked poker games, the licensee must provide fixed cameras that are capable of observing such gaming areas with sufficient clarity to permit identification of players, dealers, spectators, and pit personnel;

(9) Craps tables must be equipped with a stationary color camera positioned to provide an overview of the entire table, to view the rails which hold any chips, the table trays, drop slots, and tip boxes. Two PTZ cameras are required for every craps table. All PTZ cameras must be color cameras and be able to determine the value of any and all wagers made;

(10) Roulette tables must be equipped with a stationary color camera positioned to provide an overview of the entire table, to view the rails which hold any chips, the table trays, drop slots, and tip boxes. The camera coverage must also cover the wheel, and be able to determine the outcome of the game. One PTZ camera is required for every roulette table. The PTZ camera must be color cameras and be able to determine the value of all wagers;

(11) Live sports wagering windows, including customers at the window and cash drawers used to place or redeem tickets or vouchers from wagering on sporting events;

(12) Kiosks used to redeem slot machine payout tickets, including a view capable of identifying the customer using the kiosk; and

(13) Kiosks used for placing wagers or redeeming tickets or vouchers from wagering on sporting events, including a view capable of identifying the customer using the kiosk.

Source: 19 SDR 195, effective June 21, 1993; 22 SDR 95, effective January 18, 1996; 35 SDR 184, effective February 2, 2009; 38 SDR 213, effective June 18, 2012; 41 SDR 218, effective July 1, 2015; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(11).

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(2)(13), 42-7B-17.

20:18:29:03.01. Visual surveillance for tournament play. The executive secretary may approve a specific visual surveillance plan for blackjack and poker tables used in approved tournament play.

Source: 22 SDR 95, effective January 18, 1996.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11, 42-7B-17, 42-7B-18.

Cross-Reference: Tournaments, ch 20:18:14.01.

20:18:29:04. Additional surveillance of cashier's cages, slot areas, and count rooms. In addition to the requirements of § 20:18:29:03, cashier's cages, slot areas with slot machines with an award of \$12,000 or greater as required by § 20:18:29:05, and count rooms must be recorded at all times.

Source: 19 SDR 195, effective June 21, 1993; 20 SDR 113, effective January 23, 1994; 23 SDR 227, effective July 1, 1997; 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(2), 42-7B-17.

20:18:29:05. Slot machines with award capability of \$12,000 or greater. A licensee must install a closed-circuit system to surveil each slot machine that has an award of \$12,000 or greater. The system must continuously record with a clear, unobstructed view of the lights, handle, play buttons of the device, and patrons.

Source: 19 SDR 195, effective June 21, 1993; 34 SDR 200, effective January 29, 2008; 40 SDR 101, effective December 2, 2013; 43 SDR 131, effective April 17, 2017.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(2)(11)(13), 42-7B-17.

20:18:29:06. Recording and monitoring. A licensee must maintain written records of all surveillance activities for a period of two years. Records must be maintained by licensed employees and stored in a secured area. The licensee and its employees must allow the executive secretary, the commission, or its agents access to the records for inspection at any time. Records must include the following information:

- (1) Date and time recording began and ended;
- (2) Name of employee initiating recording;
- (3) Summary of the results of monitored activity; and
- (4) Equipment or camera malfunction.

Source: 19 SDR 195, effective June 21, 1993; 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(2)(11)(13).

20:18:29:07. Surveillance equipment malfunctions. A licensee must immediately notify the executive secretary of surveillance equipment malfunction. Any failure notification system capable of providing notification of a recording failure must be activated. Any surveillance system in operation on the effective date of this rule which is later changed or replaced must be capable of providing notification of any recording failure within 15 minutes. The equipment malfunction must be repaired within 24 hours. If the repair cannot be made within 24 hours, the licensee must promptly submit a written report to the executive secretary setting forth the reason for the delay and giving an estimated date of repair.

Source: 19 SDR 195, effective June 21, 1993; 35 SDR 184, effective February 2, 2009; 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(2)(11)(13).

20:18:29:08. Securing and retaining recorded video images. A licensee must retain in a secure manner all recorded video images for a period of fourteen days. The fourteen-day retention requirement is effective immediately for any licensed premises allowing bets in excess of one hundred dollars. All other licensed premises must retain video images for a period of seven days and comply with the fourteen-day retention requirement effective July 1, 2013. The executive secretary or the commission may require the video images to be kept for a longer time. The licensee must retain a video image in which there are suspected unusual or irregular activities or in which activities appear to violate any criminal statute of this state, the United States, or SDCL chapter 42-7B or the rules promulgated under it and must notify the executive director immediately. All closed-circuit images which are determined by the executive secretary, the commission, or its agent to be of potential evidentiary value must be secured and retained until the commission has given the licensee written notice that the images need not be retained.

Source: 19 SDR 195, effective June 21, 1993; 35 SDR 184, effective February 2, 2009; 38 SDR 213, effective June 18, 2012.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(2)(11)(13).

20:18:29:09. Labeling of recorded tapes. Repealed.

Source: 19 SDR 195, effective June 21, 1993; 47 SDR 137, effective June 28, 2021.

20:18:29:10. Number of recorders. A licensee must provide, maintain, and operate one-on-one recordings for all cameras.

The quality of the picture and recordings must be approved by the commission, the executive secretary, or its agents.

Source: 19 SDR 195, effective June 21, 1993; 22 SDR 95, effective January 18, 1996; 22 SDR 189, effective July 11, 1996; 43 SDR 131, effective April 17, 2017; 47 SDR 137, effective June 28, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(11).

Law Implemented: SDCL 42-7B-7, 42-7B-11(2)(13), 42-7B-17.

20:18:29:11. Surveillance plan. A licensee must submit a surveillance plan to the commission. The surveillance plan must include a floor plan that shows placement of all surveillance equipment in relation to the areas under surveillance and a detailed description of the system and equipment. The licensee may not modify the plan without the prior written approval of the executive secretary or a designee.

Source: 19 SDR 195, effective June 21, 1993; 21 SDR 89, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-2.1, 42-7B-3, 42-7B-7, 42-7B-11(2), 42-7B-17, 42-7B-18, 42-7B-32.

20:18:29:12. Maintenance records. A licensee must maintain a record of maintenance performed on all closed-circuit equipment for a period of two years. The records must be available for inspection by the executive secretary, the commission, or its agent.

Source: 19 SDR 195, effective June 21, 1993; 35 SDR 184, effective February 2, 2009.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(2)(11)(13).

20:18:29:13. Surveillance room. A licensee must provide a surveillance room approved by the executive secretary. The equipment that is used to monitor and record views obtained by the surveillance system must be located and remain in the surveillance room. Access to the surveillance room is restricted to licensed persons.

Source: 19 SDR 195, effective June 21, 1993; 22 SDR 95, effective January 18, 1996; 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(2)(11)(13).

20:18:29:14. Quality review of recorded surveillance video images. To ensure that the quality of video images recorded on the surveillance system complies with § 20:18:29:02, a licensee must inspect the recording equipment daily to insure the equipment is operating correctly and review a portion of all recorded surveillance images each week.

The licensee must document this inspection and review on a form provided by the executive secretary. If any problems or malfunctions of the surveillance system, equipment, or video images are discovered during the review, the licensee must report them to the commission within 24 hours after the discovery.

Source: 21 SDR 98, effective November 30, 1994; 35 SDR 184, effective February 2, 2009; 38 SDR 213, effective June 18, 2012.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-7, 42-7B-11(2)(11)(13).

Cross-Reference: Surveillance equipment malfunctions, § 20:18:29:07.

CHAPTER 20:18:30

PUBLICLY TRADED CORPORATIONS

Section

20:18:30:01 Reporting requirements.

20:18:30:02 Submission of proxy and information statements.

20:18:30:01. Reporting requirements. A publicly traded corporation which is licensed as an operator, retailer, or slot machine manufacturer or distributor under SDCL chapter 42-7B must comply with the following requirements:

(1) If a publicly traded corporation files a Form 10-Q, Form 10-K, Form 8-K, Form 1-A, Registration Statement SB-2, Registration Statement 10-SB, Report 10-KSB, Report 10-QSB, Schedule 13e-3, or Schedule 14D-9 as required by Rule 14f-1 promulgated pursuant to the Securities and Exchange Commission Act of 1934 with the Securities and Exchange Commission or with any national or regional securities exchange, the publicly traded corporation must file a true copy of the document with the executive secretary within 10 business days after the filing;

(2) If a publicly traded corporation receives a material document relating to the publicly traded corporation that was filed with the Securities and Exchange Commission by any other person, it must file a true copy of the document with the executive secretary within 10 days following its receipt;

(3) A publicly traded corporation must file with the executive secretary a list of the record holders and beneficial owners of its voting securities annually or more frequently as the list is prepared;

(4) A publicly traded corporation must report to the executive secretary the election or appointment of any director, any executive officer, or any other officers of the licensee or of a holding company or intermediary company of the licensee who is actively and directly engaged in the administration or supervision of the gaming activities of the licensee;

(5) If a publicly traded corporation is informed that a person determined by the executive secretary to be a controlling person of the publicly traded corporation has disposed of any of the publicly traded corporation's voting securities, the publicly traded corporation must report the information to the executive secretary within 30 days of the action; and

(6) A publicly traded corporation, its intermediary, or its holding company must file with the executive secretary the other documents within its control that the executive secretary requests.

Source: 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-4, 42-7B-7, 42-7B-11.

20:18:30:02. Submission of proxy and information statements. A publicly traded corporation which is licensed as an operator, retailer, or slot machine manufacturer or distributor under SDCL chapter 42-7B, must within 10 days after distributing a proxy statement subject to the Security and Exchange Commission's Regulation 14A or any information statement subject to the Security and Exchange Commission's Regulation 14C to its security holders, submit the proxy or information statement to the executive secretary.

Source: 21 SDR 98, effective November 30, 1994.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1, 42-7B-4, 42-7B-7, 42-7B-11.

CHAPTER 20:18:31

GAMING PROPERTY OWNERS

Section

- 20:18:31:01 Application and reporting requirements.
- 20:18:31:02 Additional licensees may be required.
- 20:18:31:03 Organization to be considered person.

20:18:31:01. Application and reporting requirements. If any person or organization, as defined by SDCL 29A-1-201(30), is a gaming property owner as defined by SDCL 42-7B-4(9A), the person or organization must comply with the following requirements:

(1) The person or the organization shall file an application for a gaming property owner license;

(2) An organization shall identify a contact person associated with the organization to be licensed by the commission. If the executive secretary does not approve the contact person identified for licensure, the executive secretary may require that another person associated with the organization be identified for licensure;

(3) The approved contact person shall file an application to be licensed;

(4) The licensed contact person or the person holding the gaming property owner license shall file with the executive secretary a list of each person who receives any revenue from the gaming property; and

(5) The licensed contact person or the person holding the gaming property owner license shall file with the executive secretary a list of each person who is actively or directly engaged in the administration or supervision of any gaming activities of the organization or person.

Source: 37 SDR 70, effective October 20, 2010.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(9A), 42-7B-11(13).

Cross-References:

Gaming property owner defined, SDCL 42-7B-4-(9A).

Organization defined, SDCL 29A-1-201(30).

20:18:31:02. Additional licensees may be required. The commission may require additional persons from the organization to be licensed pursuant to § 20:18:31:01.

Source: 37 SDR 70, effective October 20, 2010.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(9A), 42-7B-11(13).

20:18:31:03. Organization to be considered person. The term, organization, as used in this chapter shall be considered a person for purposes of SDCL 42-7B-26.

Source: 37 SDR 70, effective October 20, 2010.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(9A), 42-7B-11(13), 42-7B-26.

CHAPTER 20:18:32

KENO

Section

20:18:32:01	Authorized premises
20:18:32:02	Persons allowed to conduct keno.
20:18:32:03	Authorized keno games.
20:18:32:04	Access to keno equipment restricted.
20:18:32:05	Selection of keno numbers.
20:18:32:06	Recording of player's numbers and wagers.
20:18:32:07	Wagers refunded if equipment malfunctions.
20:18:32:08	No tickets to be issued or voided after number selection process has begun.
20:18:32:09	Potential prize or payout to be made known to players.
20:18:32:10	Time for refund of tickets as a result of malfunction.
20:18:32:11	Information required on tickets.
20:18:32:12	Winners not to be paid before conclusion of game.
20:18:32:13	Procedures to preclude payment of non-winning tickets.
20:18:32:14	Procedures for payment of winning tickets.
20:18:32:15	Restricted access areas.
20:18:32:16	Minimum payout structure.
20:18:32:17	Equipment maintenance procedures.
20:18:32:18	Keno number selection equipment.

20:18:32:01. Authorized premises. Keno may only be played in a location which has been assigned a retail license pursuant to SDCL 42-7B-18.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13), 42-7B-15.

20:18:32:02. Persons allowed to conduct keno. Any person involved in conducting a keno game shall hold a current and valid key employee or support license.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(1)(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(1)(13).

20:18:32:03. Authorized keno games. Only computerized keno games may be conducted. Brush or manual games are prohibited.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:04. Access to keno equipment restricted. Only a person who holds a current and valid key employee or support license is allowed access to keno equipment. No person playing keno may have access to keno equipment or be allowed to activate keno equipment.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:05. Selection of keno numbers. Each player shall mark the inside ticket with the numbers selected by the player or use an automated method approved by the commission to select the player's numbers.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:06. Recording of player's numbers and wagers. Each number selected by a player shall be entered into the computer. An outside ticket shall be given to the player. An inside ticket shall be retained by the operator conducting the game. Concurrently with the generation of the outside ticket the information on the ticket shall be recorded on the transaction log.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:07. Wagers refunded if equipment malfunctions. If the keno equipment malfunctions during the selection of winning numbers and the problem is not promptly corrected, each player shall be refunded the amount wagered upon presenting the player's outside ticket.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:08. No tickets to be issued or voided after number selection process has begun. The game shall be closed when the number selection process begins. No ticket may be written, issued, or voided after the number selection process has begun.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:09. Potential prize or payout to be made known to players. The potential prize or payout for each type of wager shall be made known to the players prior to the selection of the players' numbers. This may be done by posting the potential payouts or prizes in a manner clearly visible to players or by a printed schedule that is available at each location where keno is played.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13), 42-7B-15.

20:18:32:10. Time for refund of tickets as a result of malfunction. Any ticket written from 1 to 20 consecutive games which is subject to refund as a result of a malfunction shall be valid for a period of 90 days from the date the last game printed on the ticket was conducted. Any ticket written from 21 or more games which is subject to refund as a result of a malfunction shall be valid for a period of 365 days from the date the last game printed on the ticket was conducted.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:11. Information required on tickets. The outside ticket that is given to the player shall contain the following information:

- (1) The name of the operator or establishment conducting the game;
- (2) The date the game was conducted;
- (3) The game number;
- (4) The numbers chosen by the player;
- (5) The ticket sequence number; and
- (6) The identification of the station where the ticket was generated.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:12. Winners not to be paid before conclusion of game. A player may not collect any winnings on a ticket until the last game wagered on that ticket has been concluded.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:13. Procedures to preclude payment of non-winning tickets. Each operator who conducts keno games shall establish procedures approved by the executive secretary to preclude payment of tickets that have been previously paid, winning tickets presented after the expiration date of the ticket, voided tickets, and tickets that have been improperly issued.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:14. Procedures for payment of winning tickets. Each operator who conducts keno games shall establish procedures approved by the executive secretary for payment of winning tickets and shall maintain an exception log to record any payment of tickets that are not paid in accordance with the established procedures.

Source: 41 SDR 218, effective July 1, 2015.
General Authority: SDCL 42-7B-7, 42-7B-11(13).
Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:15. Restricted access areas. Access to areas where the winning keno numbers are selected and where keno cards and supplies are kept are restricted to persons who are licensed by the commission.

Source: 41 SDR 218, effective July 1, 2015.
General Authority: SDCL 42-7B-7, 42-7B-11(13).
Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:16. Minimum payout structure. Each game of keno shall be conducted in such a manner that the minimum payout structure for each game may not be less than seventy percent (70%).

Source: 41 SDR 218, effective July 1, 2015.
General Authority: SDCL 42-7B-7, 42-7B-11(13).
Law Implemented: SDCL 42-7B-1, 42-7B-36, 42-7B-11(13).

20:18:32:17. Equipment maintenance procedures. Each operator who conducts keno games shall establish procedures approved by the executive secretary to maintain and service keno equipment including computer program updates and hardware servicing.

Source: 41 SDR 218, effective July 1, 2015.
General Authority: SDCL 42-7B-7, 42-7B-11(13).
Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:32:18. Keno number selection equipment. All equipment used by an operator to select winning numbers in keno games or to select players' numbers for players' tickets must be approved by the executive secretary prior to being placed in use.

Source: 41 SDR 218, effective July 1, 2015.
General Authority: SDCL 42-7B-7, 42-7B-11(13).
Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

CHAPTER 20:18:33

CRAPS

Section

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20:18:33:01. Definitions. Terms used in this chapter mean:

- (1) "Box man" or "box person," the pit boss who is in charge of the craps table;
- (2) "Come out point," a total of four, five, six, eight, nine, or ten thrown by the shooter on the come out roll;
- (3) "Come out roll," the first roll of the dice at the opening of the game and the first roll of the dice after a decision with respect to pass bet and don't pass bet has been affected;
- (4) "Come point," a total of four, five, six, eight, nine, or ten thrown by the shooter on the next roll following placement of a come bet or don't come bet;
- (5) "Dealer," a casino employee who either works each end of the table or as a stickman at a table;
- (6) "Disk" or "puck," the round object that is white on one side and black on the other side that is used to signify a come-out roll has occurred and a point has been established;
- (7) "Point," or "point number," the numbers four, five, six, eight, nine, or ten established on the come-out roll;
- (8) "Shooter," the person who is rolling the dice;
- (9) "Stickman" or "stickperson," the dealer who calls the game and handles the stick.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:02. Permissible wagers. The following are the only permissible wagers at the games of craps:

(1) "Pass bet," is a wager placed on the pass line of the layout immediately prior to the come out roll and is determined as follows:

(a) The pass bet wins if, on the come out roll, a total of seven, or eleven is thrown, or a total of four, five, six, eight, nine, or ten is thrown and that total is again thrown before a seven appears; and

(b) The pass bet loses if, on the come out roll, a total of two, three, or twelve is thrown; or a total of four, five, six, eight, nine, or ten is thrown and a seven subsequently appears before that total is again thrown;

(2) "Don't pass bet," is a wager placed on the don't pass line of the layout immediately prior to the come out roll and is determined as follows:

(a) The don't pass bet wins if, on the come out roll, a total of two or three is thrown; or a total of four, five, six, eight, nine, or ten is thrown and a seven subsequently appears before that total is again thrown;

(b) The don't pass bet loses if, on the come out roll, a total of seven or eleven is thrown; or a total of four, five, six, eight, nine, or ten is thrown and that total is again thrown before a seven appears; and

(c) The don't pass bet shall be void if, on the come out roll, a total of twelve is thrown;

(3) "Come bet," is a wager placed on the come line of the layout at any time after the come out roll and is determined as follows:

(a) The come bet wins if, on the roll immediately following placement of such bet, a total of seven or eleven is thrown; or a total of four, five, six, eight, nine, or ten is thrown and that total is again thrown before a seven appears; and

(b) The come bet loses if, on the roll immediately following placement of such bet, a total of two, three, or twelve is thrown; or a total of four, five, six, eight, nine, or ten is thrown and a seven subsequently appears before that total is again thrown;

(4) "Don't come bet," is a wager placed on the don't come area of the layout at any time after the come out roll and is determined as follows:

(a) The don't come bet shall win if, on the roll immediately following placement of such bet, a total of two or three is thrown; or a total of four, five, six, eight, nine, or ten is thrown and a seven subsequently appears before that total is again thrown;

(b) The don't come bet shall lose if, on the roll immediately following placement of such bet, a total of seven or eleven is thrown; or a total of four, five, six, eight, nine, or ten is thrown and that total is again thrown before a seven appears; and

(c) The don't come bet will be void if, on the roll immediately following placement of such bet, a total of twelve is thrown;

(5) "Place bet to win," is a wager that may be made at any time on any of the numbers four, five, six, eight, nine, or ten which shall win if the number on which the wager was placed is thrown before a seven and shall lose if a seven is thrown before such number. All place bets shall be inactive on any come out roll unless called "on" by the player and confirmed by the dealer through placement of an "on" marker button on top of such player's wager;

(6) "Four the hardway," is a wager that may be made at any time which shall win if a total of four is thrown the hardway (that is, with two appearing on each die) before four is thrown in any other way and before a seven is thrown;

(7) "Six the hardway," is a wager that may be made at any time which shall win if a total of six is thrown the hardway (that is, with three appearing on each die) before six is thrown in any other way and before a seven is thrown;

(8) "Eight the hardway," is a wager that may be made at any time which shall win if a total of eight is thrown the hardway (that is, with four appearing on each die) before eight is thrown in any other way and before a seven is thrown;

(9) "Ten the hardway," is a wager that may be made at any time which shall win if a total of ten is thrown the hardway (that is, with five appearing on each die) before ten is thrown in any other way and before a seven is thrown;

(10) "Field bet," is a one-roll wager that may be made at any time which shall win if any one of the totals two, three, four, nine, ten, eleven, or twelve is thrown on the roll immediately following placement of such bet and shall lose if a total of five, six, seven, or eight is thrown on such roll;

(11) "Any seven," is a one-roll wager that may be made at any time which shall win if a total of seven is thrown on the roll immediately following placement of such bet and shall lose if any other total is thrown;

(12) "Any craps," is a one-roll wager that may be made at any time which shall win if a total of two, three, or twelve is thrown on the roll immediately following placement of such bet and shall lose if any other total is thrown;

(13) "Craps two," is a one-roll wager that may be made at any time which shall win if a total of two is thrown on the roll immediately following placement of such bet and shall lose if any other total is thrown;

(14) "Craps three," is a one-roll wager that may be made at any time which shall win if a total of three is thrown on the roll immediately following placement of such bet and shall lose if any other total is thrown;

(15) "Craps twelve," is a one-roll wager that may be made at any time which shall win if a total of twelve is thrown on the roll immediately following placement of such bet and shall lose if any other total is thrown;

(16) "Eleven in one roll," is a one-roll wager that may be made at any time which shall win if a total of eleven is thrown on the roll immediately following placement of such bet and shall lose if any other total is thrown;

(17) "Craps-eleven" or "C and E," is a one-roll wager that may be made at any time which shall win, if either a craps (two, three, or twelve) or eleven is rolled immediately following placement of such bet and shall lose if any other total is thrown;

(18) "Horn bet," is a one-roll wager that may be made at any time which shall win if any one of the totals two, three, eleven, or twelve is thrown on the roll immediately following placement of such bet and shall lose if any other total is thrown;

(19) "Horn high bet," is a wager that may be made at any time which shall win if any one of the totals two, three, eleven, or twelve is thrown on the roll immediately following placement of such bet and shall lose if any other total is thrown. A horn high bet shall be placed in units of five with four units wagered as a horn bet and an additional unit wagered on one of the totals two, three, eleven, or twelve. A retail licensee that does not have a designated area on its layouts for the acceptance of a horn high bet shall break down the wager into two separate wagers on the "horn" and one of the totals two, three, eleven, or twelve;

(20) "Whirl bet," or "world bet," is a one-roll wager that may be made at any time, consisting of a horn bet and the any seven wager. A retail licensee that does not have a designated area on the layout for the acceptance of the whirl bet shall break down the wager into two separate wagers on the horn bet and the any seven wager;

(21) "Four the hardway on the hop," is a one-roll wager that may be made at any time which shall win if a total of four is thrown the hardway (that is, with two appearing on each die) on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(22) "Six the hardway on the hop," is a one-roll wager that may be made at any time which shall win if a total of six is thrown the hardway (that is, with three appearing on each die) on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(23) "Eight the hardway on the hop," is a one-roll wager that may be made at any time which shall win if a total of eight is thrown the hardway (that is, with four appearing on each die) on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(24) "Ten the hardway on the hop," is a one-roll wager that may be made at any time which shall win if a total of ten is thrown the hardway (that is, with five appearing on each die) on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(25) "One-three (ace-trey) on the hop," is a one-roll wager that may be made at any time which shall win if a total of four is thrown with a one appearing on one die and a three appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(26) "One-four (ace-four) on the hop," is a one-roll wager that may be made at any time which shall win if a total of five is thrown with a one appearing on one die and a four appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(27) "Two-three (deuce-trey) on the hop," is a one-roll wager that may be made at any time which shall win if a total of five is thrown with a two appearing on one die and a three appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(28) "One-five (ace-five) on the hop," is a one-roll wager that may be made at any time which shall win if a total of six is thrown with a one appearing on one die and a five appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(29) "Two-four (deuce-four) on the hop," is a one-roll wager that may be made at any time which shall win if a total of six is thrown with a two appearing on one die and a four appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(30) "One-six (ace-six) on the hop," is a one-roll wager that may be made at any time which shall win if a total of seven is thrown with a one appearing on one die and a six appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(31) "Two-five (deuce-five) on the hop," is a one-roll wager that may be made at any time which shall win if a total of seven is thrown with a two appearing on one die and a five appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(32) "Three-four (trey-four) on the hop," is a one-roll wager that may be made at any time which shall win if a total of seven is thrown with a three appearing on one die and a four appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(33) "Two-six (deuce-six) on the hop," is a one-roll wager that may be made at any time which shall win if a total of eight is thrown with a two appearing on one die and a six appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(34) "Three-five (trey-five) on the hop," is a one-roll wager that may be made at any time which shall win if a total of eight is thrown with a three appearing on one die and a five appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(35) "Three-six (trey-six) on the hop," is a one-roll wager that may be made at any time which shall win if a total of nine is thrown with a three appearing on one die and a six appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(36) "Four-five on the hop," is a one-roll wager that may be made at any time which shall win if a total of nine is thrown with a four appearing on one die and a five appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(37) "Four-six on the hop," is a one-roll wager that may be made at any time which shall win if a total of ten is thrown with a four appearing on one die and a six appearing on the other die on the roll immediately following placement of such bet and shall lose if any other combination is thrown;

(38) "Big-6," is a multi-roll wager that may be made at any time which shall win if a six in any combination is thrown before a seven. If a seven is thrown before the six, the wager is lost;

(39) "Big-8," is a multi-roll wager that may be made at any time which shall win if an eight in any combination is thrown before a seven. If a seven is thrown before the eight, the wager is lost; and

(40) "Put bet," is a wager placed directly on four, five, six, eight, nine, or ten. A put bet pays even money. Players have the option to take true odds on the wager. Players may wager a put bet at any time during the game.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:03. Making and removing wagers. All wagers at craps must be made by placing gaming chips, tokens, valid match play coupons, or coins (only for pass bet or don't pass wagers) or any combination thereof, on the appropriate areas of the layout. Each wager must be made before the dice are thrown. However, a wager may be made between the time the dice leave the shooter's hand and the time the dice come to rest provided that the wager is confirmed verbally by the dealer or a box person and the correct wager is placed on the table.

A wager made on any bet may be removed or reduced at any time prior to a roll that decides the outcome of such wager. However, no pass bet or come bet may be removed or reduced after a come out point or come point is established. A bet, pass bet, and come bet may be increased at any time.

A don't come bet and a don't pass bet may be removed or reduced at any time, but may not be replaced or increased after such removal or reduction.

All buy and place to win bets, come odds, and hardways shall be inactive on any come out roll unless called "on" by the player and confirmed by the dealer through placement of an "on" marker button on the top of each player's wager. One "on" button may designate all like or similar bets in that position are working. All other wagers shall be considered "on." Hardways may be active on the come out roll if allowed by the house rules of the retail licensee.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:04. Payment odds. No retail licensee or any employee or agent thereof may payout any winning wager at the game of craps at less than the odds listed below. A retail licensee may payout a winning wager at higher odds than payout listed below, provided that the odds are uniform within the casino.

Wager	Payout Odds
Pass Bet	1 to 1
Don't Pass Bet	1 to 1
Come Bet	1 to 1
Don't Come Bet	1 to 1
Place Bet 4 to Win	9 to 5
Place Bet 5 to Win	7 to 5
Place Bet 6 to Win	7 to 6
Place Bet 8 to Win	7 to 6
Place Bet 9 to Win	7 to 5
Place Bet 10 to Win	9 to 5
Four the Hardway	7 to 1
Six the Hardway	9 to 1
Eight the Hardway	9 to 1
Ten the Hardway	7 to 1
Field Bet	1 to 1 on 3, 4, 9, 10, 11 2 to 1 on 2 2 to 1 on 12
Any Seven	4 to 1
Any Craps	7 to 1
Craps 2	30 to 1
Craps 3	15 to 1
Craps 12	30 to 1

11 in one roll	15 to 1
Four the Hardway on the Hop	30 to 1
Six the Hardway on the Hop	30 to 1
Eight the Hardway on the Hop	30 to 1
Ten the Hardway on the Hop	30 to 1
One-Three (Ace-Trey) on the Hop	15 to 1
One-Four (Ace-Four) on the Hop	15 to 1
One-Five (Ace-Five) on the Hop	15 to 1
One Six (Ace-Six) on the Hop	15 to 1
Two-Four (Deuce-Four) on the Hop	15 to 1
Two Five (Deuce-Five) on the Hop	15 to 1
Two-Six (Deuce-Six) on the Hop	15 to 1
Two-Three (Deuce-Trey) on the Hop	15 to 1
Three-Four (Trey-Four) on the Hop	15 to 1
Three-Five (Trey-Five) on the Hop	15 to 1
Three-Six (Trey-Six) on the Hop	15 to 1
Four-Five on the Hop	15 to 1
Four-Six on the Hop	15 to 1
Big Six or Big Eight	1 to 1
Put Bet	1 to 1

A horn bet and horn high bet shall be paid as if the bet was four separate wagers on two, three, eleven, and twelve.

A craps-eleven or C and E bet shall be paid as if one-half of the wagered amount had been placed on "any craps" and one-half on "eleven," and shall be paid as if two separate wagers were made for the one roll.

No retail licensee or its employees may accept any wager that because of the amount thereof cannot be paid at the odds permitted above. If the winning wager results in a payout amount that is not an even dollar amount, the payout amount shall be rounded up to an amount equal to the lowest denomination of chip available at the table.

In addition to the payout odds set forth in this chapter for place bets to win on 4, 5, 6, 8, 9, and 10, a retail licensee may offer a player the option of receiving true odds on these bets also referred to as "buy bets." In return for offering these odds, the licensee may charge the player a percentage of the amount wagered, which in no event shall exceed five percent of such wager. A retail licensee that offers a player true odds shall pay winning wagers as follows:

Bets	Odds
4 to Win	2 to 1
5 to Win	3 to 2
6 to Win	6 to 5
8 to Win	6 to 5
9 to Win	3 to 2
10 to Win	2 to 1

In addition to or in lieu of the payout odds set forth in this chapter for place bets to lose on 4, 5, 6, 8, 9, and 10, a retail licensee may offer a player the option of true odds on these bets also referred to as lay bets. In return for offering these odds, the licensee may charge the player a percentage of the amount potentially won, which in no event may exceed five percent of such wager. A retail licensee that offers a player true odds shall pay winning wagers as follows:

Bets	Odds
4 to Lose	1 to 2
5 to Lose	2 to 3
6 to Lose	5 to 6
8 to Lose	5 to 6
9 to Lose	2 to 3
10 to Lose	1 to 2

Except as provided for in this section, no casino licensee may charge any percentage, fee or vigorish to a player in making any wager in the game of craps.

Taking or laying odds in support of pass, don't pass, come, and don't come bets may be made whenever a player makes:

(1) A pass bet and a total of 4, 5, 6, 8, 9, or 10 is thrown on the come out roll, the player may make a supplemental wager in support of the pass bet which may be limited by the retail licensee's policies on odds, not to exceed \$1,000. If, in such circumstances, the pass bet wins, the original pass bet shall be paid at odds of 1 to 1 and the supplemental wager shall be paid at odds of 2 to 1 if the come out point was 4 or 10; 3 to 2 if the come out point was 5 or 9; and 6 to 5 if the come out point was 6 or 8;

(2) A don't pass bet and a total of 4, 5, 6, 8, 9, or 10 is thrown on the come out roll, the player shall have the right to make a supplemental wager in support of the don't pass bet which may be limited by the retail licensee's policies on odds, not to exceed \$1,000. If, in such circumstances, the don't pass bet wins, the original don't pass bet shall be paid at odds of 1 to 1 and the supplemental wager shall be paid at odds of 1 to 2 if the come out point was 4 or 10; 2 to 3 if the come out point was 5 or 9; and 5 to 6 if the come out point was 6 or 8;

(3) A come bet and a total of 4, 5, 6, 8, 9, or 10 is thrown on the roll immediately following placement of such bet, the player shall have the right to make a supplemental wager in support of the come bet which may be limited by the retail licensee's policies on odds, not to exceed \$1,000. If, in such circumstances, the come bet wins, the original come bet shall be paid at odds of 1 to 1 and the supplemental wager shall be paid at odds of 2 to 1 if the come point was 4 or 10; 3 to 2 if the come point was 5 or 9; and 6 to 5 if the come point was 6 or 8; and

(4) A don't come bet and a total of 4, 5, 6, 8, 9, or 10 is thrown on the roll immediately following placement of such bet, the player shall have the right to make a supplemental wager in support of the don't come bet which may be limited by the retail licensee's policies on odds, not to exceed \$1,000. If, in such circumstances, the don't come bet wins, the original don't come bet shall

be paid at odds of 1 to 1 and the supplemental wager shall be paid at odds of 1 to 2 if the come point was a 4 or 10; 2 to 3 if the come point was 5 or 9; and 5 to 6 if the come point was 6 or 8.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:05. Retention and selection of dice. A set of at least five dice conforming to the specifications contained in Chapter 20:18:19 shall be offered to each new shooter. Control of the dice at a craps table shall be the responsibility of the stickperson at the table.

At the commencement of play, the stickperson shall offer the set of dice to the player immediately to the left of the third base dealer at the table. If such a player rejects the dice, the stickperson shall offer the dice to each of the other players in turn clockwise around the table until one of the players accepts the dice.

The first player to accept the dice when offered becomes the shooter who selects and retains two of the dice offered. The remaining dice of the set shall be returned to the dice cup which shall be placed immediately in front of the craps stickperson. After completing the rolls on the remaining come or don't come wagers, this player shall be offered the opportunity to start a new roll.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:06. Throw of the dice. Upon selection of the dice, the shooter shall make a pass bet or don't pass bet after which the shooter shall throw the two selected die so that the dice leave the shooter's hand simultaneously and in a manner calculated to cause the dice to strike the end of the table farthest from the shooter.

There is an invalid roll of the dice whenever:

(1) Either or both of the die go off the table, come to rest in the rail or whenever one die comes to rest on top of the other;

(2) Either or both of the die come to rest on the craps bank of chips located in front of the box person;

(3) Either or both of the die enter or come to rest in the dice bowl in front of the stickperson;
or

(4) The shooter uses a cheating, crooked, or fixed device or technique in the roll of the dice.

The licensed employee designated by the retail licensee may invalidate a roll of the dice by calling "no roll" for reasons such as:

(1) The dice do not leave the shooter's hand simultaneously;

- (2) Either or both of the die fail to strike an end of the table; or
- (3) For any other reason the box person or stick person considers the throw to be improper.

The call of "no roll" under subdivision (1), (2), and (3) shall, whenever possible, be made before both die come to rest. A throw of the dice which results in the dice coming into contact with any chips on the table is not a cause for a call of "no roll." The licensed employee designated by the retail licensee is the only person who may call "no roll."

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:07. Point throw; settlement of wagers. When the dice come to rest from a valid throw, the stickperson shall at once call out the sum of the numbers on the high or uppermost sides of the two die. Only one face on each die shall be considered skyward. If either or both of the die do not land flat on the table (for example, one edge of the die is resting cocked on a stack of chips), the side directly opposite the side that is resting on the chips or other object shall be considered uppermost and skyward. If more than one side of a die is resting on a stack of chips or other object, the roll shall be void and the dice shall be re-thrown.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:08. Continuation of shooter; selection of new shooter. The shooter, after any roll, may either pass the dice or remain the shooter except that:

- (1) The shooter shall pass the dice upon throwing a loser 7; or

(2) The box person may order the shooter to pass the dice if the shooter unreasonably delays the game, repeatedly makes invalid rolls or violates the rules prescribed by this chapter.

If a shooter, after making the come out point, elects not to place a pass bet or don't pass bet, and other wagers remain on the table with respect to come or don't come numbers, the stickperson shall offer the dice to the player immediately to the left of the previous shooter. If there are no other players at the table, or if no other players at the table elect to make a pass bet or don't pass bet in order to shoot the dice and continue the game, the previous shooter shall be allowed to shoot the dice without a pass bet or don't pass bet only for the purpose of effecting a decision on the remaining come or don't come wagers. The on/off marker shall be placed on the don't pass line in the off position in front of the shooter in order to indicate that the shooter is rolling the dice only to effectuate a decision for those wagers remaining on the layout. Once the remaining come or don't come wagers have been decided or a player wishes to place a pass bet or don't pass bet the game shall proceed in accordance with this chapter.

Whenever a voluntary or compulsory relinquishment of the dice occurs by the shooter, the stickperson shall offer the complete set of five or more dice to the player immediately to the left of

the previous shooter and, if he or she does not accept, to each of the other players in turn clockwise around the table.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:09. Posting of rules. Posted house rules and specific rules of conduct shall be clear and legible and placed in a conspicuous and conveniently accessible location available to all players in the room. Rules posted and the place of posting must be approved by the executive secretary. Printed copies of house rules and specific rules of conduct must be provided to players upon request.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:10. Tips in craps. A retail licensee may at its discretion utilize a tip storage device, commonly referred to as a token tube or tip tube, for the purpose of temporarily securing chips received by dealers as tips. Use of a tip storage device must be exclusively for temporary holding prior to exchanging lower denomination chips for a higher denomination chip to place into the lockbox.

A retail licensee may not allow player controlled tip wagers.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:11. Irregularities. If any irregularity occurs, the dealer shall notify the box person or pit supervisor, who shall direct the dealer to take the most appropriate action which the box person or supervisor believes to be fair and equitable, and shall observe such action being taken. The box person or pit supervisor, and not the dealer, must make all decisions concerning disputed play or the payment or collection of wagers.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:33:12. Variations of the play - Bonus Craps. Bonus Craps is a variation of craps. This game offers the player a group of side bets during the game of craps. Bonus Craps may be played on an existing craps table. None of the existing features of the craps table may be eliminated.

There are three side bets: All Small, All Tall, and Make 'em All.

(1) ALL SMALL side bets are conducted in the following manner:

- (a) This feature consists of a side bet in which all of the "Small" numbers (2, 3, 4, 5 and 6) must be rolled before a seven (7);
 - (b) The bet loses on any seven (7), including a seven (7) on the come out roll;
 - (c) If all of the small numbers are rolled, the side bet shall pay according to the pay table and be taken down;
 - (d) A player may bet this feature at the beginning of the roll only;
 - (e) The dealer shall mark a number with a lammer after a number has been rolled; and
 - (f) After all of the small numbers are lammered up, the dealer shall pay the bettor and take the bettor's "Small" bet down.
- (2) ALL TALL side bets are conducted in the following manner:
- (a) This is the same feature and side bet as All Small;
 - (b) The "Tall" numbers (8, 9, 10, 11, 12) must be rolled before a seven (7);
 - (c) The bet loses on any seven (7), including a seven (7) on the come out roll;
 - (d) If all of the tall numbers are rolled, the side bet shall pay according to the pay table and be taken down;
 - (e) A player may bet this feature at the beginning of the roll only;
 - (f) The dealer shall mark a number with a lammer after a number has been rolled; and
 - (g) After all of the tall numbers are lammered up, the dealer shall pay the bettor and take the bettor's "Tall" bet down.
- (3) MAKE 'EM ALL side bets are conducted in the following manner:
- (a) This feature consists of all of the numbers (2, 3, 4, 5, 6, 8, 9, 10, 11 and 12) being rolled before any seven (7);
 - (b) This bet loses whenever a seven (7) is rolled; and
 - (c) After all of the numbers are lammered up, the dealer shall pay the bettor and take the bettor's bet down.

Pay Tables:

Side Bet	Pay Table 1	Pay Table 2
All Small	34	30
All Tall	34	30
Make 'Em All	175	150

Source: 43 SDR 79, effective December 5, 2016.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-7, 42-7B-11(13).

20:18:33:13. Variation of the play - Sharp Shooter. Sharp Shooter is a variation of craps. This game offers an optional wager that may be made before the "come out" roll of a new shooter. Sharp Shooter may be played on an existing craps table. None of the existing features of the craps table may be eliminated. After a point is established by a new shooter - 4, 5, 6, 8, 9, or 10 - then no more Sharp Shooter wagers may be accepted. After a Sharp Shooter wager is made, the wager may

not be taken down or called off after a new shooter established the initial point. A Sharp Shooter wager shall be paid according to the number of consecutive successful points made before the dice seven-out.

Any player making a Sharp Shooter wager must place the player's wager on the appropriate Sharp Shooter area on the layout directly below the player's gaming position. After a Sharp Shooter wager is made, the base dealer shall be instructed by the box person to bring the bets in. If the wager is more than one cheque high, the base dealer shall then splash the Sharp Shooter wager to confirm the exact amount of the wager. After all bets have been proved, the bets should be brought up and placed on the corresponding numerical betting circles located in front of the box person at the top of the layout. Sharp Shooter wagers must remain in these numeric betting circles until the bet is either lost or paid. Additional requirements include:

(1) Players may only make a Sharp Shooter wager prior to a point being established by a new shooter;

(2) Sharp Shooter limits and payouts shall be posted at each table;

(3) The Sharp Shooter wager may not be called off or taken down once a new shooter has established the initial point;

(4) The Sharp Shooter wager is paid according to the number of consecutive points the shooter successfully makes before the dice seven-out;

(5) Points do not have to be in any specific order;

(6) Winning or losing in the come out roll will not affect this bonus wager. Only the seven out may terminate the bet;

(7) The stickman or boxman shall use a lammer to keep track of the number of passes; and

(8) Players win if the shooter makes at least three points before a seven out. The more consecutive points the shooter makes, the higher the payouts. If a shooter makes 10 points, the Sharp Shooter bet pays the top award and the sequence ends.

Any dealer tip delivered as a Sharp Shooter wager is placed at the top of the Sharp Shooter numbering area or piggy-backed (dealer bet sits on top of the player's bet slightly pushed forward) on top of the player's Sharp Shooter numbering spot wager.

A Sharp Shooter wager is paid in accordance with one of the following paytables:

Points	SS-01	SS-02	SS-03	SS-04	SS-05	SS-06
10	300 for 1	300 for 1	500 for 1	299 to 1	299 to 1	500 to 1
9	200 for 1	200 for 1	200 for 1	200 to 1	200 to 1	200 to 1
8	100 for 1	50 for 1	100 for 1	100 to 1	50 to 1	100 to 1
7	50 for 1	40 for 1	50 for 1	50 to 1	40 to 1	50 to 1
6	30 for 1	30 for 1	30 for 1	30 to 1	30 to 1	30 to 1
5	20 for 1	20 for 1	20 for 1	20 to 1	20 to 1	15 to 1
4	10 for 1	10 for 1	10 for 1	9 to 1	9 to 1	9 to 1
3	6 for 1	7 for 1	6 for 1	5 to 1	6 to 1	5 to 1

Source: 44 SDR 65, effective October 16, 2017; 44 SDR 151, effective April 30, 2018.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-1, 42-7B-4(5A), 42-7B-7, 42-7B-15.

CHAPTER 20:18:34

ROULETTE

Section

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20:18:34:01. Definitions. Terms used in this chapter mean:

(1) "American wheel," 38 compartments containing the numbers 1 through 36, zero (0), and double zero (00);

(2) "Compartment or slots on the roulette wheel," where the roulette ball lands to determine the outcome of the bet. The numbers of the roulette wheel are numbered from 1 to 36, alternating between red and black. Zero and double zero are green;

(3) "Crown" or "dolly," point marker used by the dealer to mark the corresponding number on the roulette layout, or electronic betting terminal (EBT), where the roulette ball has come to rest;

(4) "Croupier" or "dealer," person in charge of the roulette game for the retail licensee. This person handles the wagers and payouts and spins the roulette wheel;

(5) "European, French, or high limit wheel," 37 compartments containing the numbers 1 through 36 and zero (0);

(6) "Inside bets:"

- (a) One number (straight bet);
- (b) Two numbers (split bet);
- (c) Three numbers (street bet);
- (d) Four numbers (corner bet);
- (e) First five numbers; and
- (f) Six numbers (line bet);

(7) "No more bets," a statement made by the dealer that no more bets may be accepted on the roulette layout. A roulette table that utilizes EBTs must have an automated audible and visual announcement by the player terminals;

(8) "No spin," a statement made by the dealer that voids the spin because of an irregularity;

(9) "Non-value chips," chips of different colors that have no value amount imprinted on chips. Value of these chips is set by the player, before any betting takes place on the roulette layout or EBT. Each player receives chips, or electronic chips, of a different color, thus eliminating possible confusion of who bets;

(10) Outside bets:"

- (a) Twelve numbers (column bet);
- (b) Twelve numbers (dozen bet);
- (c) Red or black;
- (d) Even or odd; and
- (e) Low or high numbers.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:34:02. Roulette game drop box procedures. Each roulette table shall have a drop box attached to the table. The drop box shall be used for the deposit of money from the sale of chips. The roulette game drop box shall be a locked container marked with a permanent number corresponding to a permanent number of the game table and permanently marked to indicate the game and table number. All markings shall be clearly visible. The locked container shall be locked to the gaming table and shall be separately keyed from the container itself.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:34:03. Placement of wagers; permissible and optional wagers. All wagers at roulette shall be made by placing accepted gaming chips, issued by the dealer, on the appropriate areas of the roulette layout. Alternatively, chips issued by the licensee used on other table games within the same licensed premise may be accepted at any time for all bets during play but only one player may wager with value chips of the same color on the inside bets per spin of the ball. Valid match play coupons may be accepted any time during play on the even money and 2 to 1 wagers only. No verbal wagers or cash may be accepted by the dealer to wager on the table. When a player is at a table with EBTs, all wagers must be made by placing electronic chips on the appropriate areas of the EBT.

No person at a roulette table may play with non-value chips or electronic chips that are identical in color and design to cash value chips, to non-value chips, or other chips being used by

another person at the same table. If a roulette table utilizes electronic chips where there is no central screen to simulate the table felt, identical colors and designs are permitted.

Each player is responsible for the correct positioning of the player's wager on the roulette layout or EBT regardless of whether the player is assisted by the dealer. Each player must ensure that instructions given to the dealer regarding the placement of a wager are correctly carried out.

Each wager shall be settled strictly in accordance with its position on the layout or EBT when the ball falls to rest in a compartment of the wheel.

Each winning wager shall be paid and the dolly must be removed before a player may take down any wager or winnings or place a new wager.

The permissible wagers in the game of roulette are:

(1) "Straight bet (one number)," a wager that the roulette ball will come to rest in the compartment of the roulette wheel that corresponds to a single number selected by the player. The player shall select a number by placing a wager within the box on the roulette layout or EBT that contains the selected number;

(2) "Split Bet (two numbers)," a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to either of two numbers selected by the player. The player shall select the numbers by placing a wager on the line between the two boxes on the roulette layout or EBT that contains two selected numbers, except that a split wager on "0" and "00" may also be placed on the line between the "2nd 12" and the "3rd 12" box;

(3) "Street Bet (three numbers)," a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any of three numbers in a single row on the roulette layout or EBT selected by the player. The player shall select a row of numbers by placing a wager on the outside line of the box on the roulette layout or EBT that contains the first number in the selected row. The wager "three numbers" also includes a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any one of the three numbers contained in one of the following groups of numbers: (0,1,2), (0,2,00), or (00,2,3). The player shall select one of the "three numbers" wagers by placing a wager on the common corner of the three boxes containing the selected numbers;

(4) "Corner bet (four numbers)," a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any one of four numbers in contiguous boxes on the roulette layout or EBT selected by the player. The player shall select the four numbers by placing a wager on the common corner of the four boxes containing the selected numbers;

(5) "Top Line (first five numbers)," a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any of the numbers "0," "00," "1," "2," or "3." The player shall bet the "first" of the boxes on the roulette layout or EBT that contains the label "1st 12" and the numbers "0" and "1";

(6) "Line bet (six numbers)," a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any one of six numbers contained in two contiguous rows of numbers on the roulette layout or EBT selected by the player. The player shall select the two rows of numbers by placing a wager on the outside common corner of the boxes on the roulette layout or EBT that contains the first number in each of the rows being selected;

(7) "Column bet (twelve numbers)," a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any of 12 numbers contained in a single column on the roulette layout or EBT selected by the player. The player shall select a column of 12 numbers by placing a wager in the box on the roulette layout or EBT that is at the bottom of the column being selected;

(8) "Dozen bet (twelve numbers)," a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any of 12 consecutive numbers from "1" through "12," "13" through "24," or "25" through "36" selected by the player. The player shall select the 12 numbers by placing a wager in the box on the roulette layout or EBT labeled "1st 12" ("1" through "12"), "2nd 12" ("13" through "24"), or "3rd 12" ("25" through "36");

(9) "Red," a wager that the roulette ball will come to rest in any compartment with a red background on the roulette wheel. The player shall bet on "red" by placing a wager within the red box on the roulette layout or EBT used for such wagers;

(10) "Black," a wager that the roulette ball will come to rest in any compartment with a black background on the roulette wheel. The player shall bet on "black" by placing a wager within the black box on the roulette layout or EBT used for such wagers;

(11) "Odd," a wager that the roulette ball will come to rest in any compartment of the roulette wheel that corresponds to any "odd" number. The player shall bet on an "odd" by placing a wager within the box on the roulette layout or EBT that is labeled "odd";

(12) "Even," a wager that the roulette ball will come to rest in any compartment of the roulette wheel that corresponds to any "even" number. The player shall bet on an "even" by placing a wager within the box on the roulette layout or EBT that is labeled "even";

(13) "1 to 18," a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any of 18 consecutive numbers from "1" through "18." The player shall bet on "1 to 18" by placing a wager within the box on the roulette layout or EBT that is labeled "1 to 18," This is also referred to as a "low" bet; and

(14) "19 to 36," a wager that the roulette ball will come to rest in a compartment of the roulette wheel that corresponds to any of 18 consecutive numbers from "19" through "36." The player shall bet on "19 to 36" by placing a wager within the box on the roulette layout or EBT that is labeled "19 to 36." This is also referred to as a "high" bet.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:34:04. Payout odds. No licensee, its employees or agents may pay off winning wagers at the game of roulette at less than the odds listed below:

Bets	Payout Odds
Straight	35 to 1
Split	17 to 1
Three Numbers	11 to 1
Four Numbers	8 to 1
First Five Numbers	6 to 1
Six Numbers	5 to 1
Column	2 to 1
Dozen	2 to 1
Red	1 to 1
Black	1 to 1
Odd	1 to 1
Even	1 to 1
1 to 18	1 to 1
19 to 36	1 to 1

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:34:05. Rotation of wheel and ball. The roulette ball shall be spun by the dealer in a direction opposite to the rotation of the wheel and shall complete at least four revolutions around the track of the wheel to constitute a valid spin. Prior to the ball coming to rest in a compartment, the dealer shall call "no more bets" and wave a hand over the layout. Upon the ball coming to rest in a compartment, the dealer shall announce the number of such compartment and shall place a point marker known as a "crown" or "dolly" on that number on the roulette layout. After placing the crown on the layout, the dealer shall first collect all losing wagers and then pay off all winning wagers.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:34:06. Irregularities. If the roulette ball is spun in the same direction as the wheel, the dealer shall state "no spin" and shall attempt to remove the ball from the wheel prior to its coming to rest in one of the compartments. If the roulette ball does not complete four revolutions around the track of the wheel, the dealer shall announce "no spin" and shall attempt to remove the ball from the wheel prior to its coming to rest in one of the compartments. If a foreign object enters the wheel prior to the roulette ball coming to rest, the dealer shall state "no spin" and shall attempt to remove the ball from the wheel prior to its coming to rest in one of the compartments. If the roulette ball leaves the wheel prior to the ball coming to rest, the dealer shall announce "no spin." The ball

shall be recovered and inspected by the pit supervisor for any damage or tampering including the use of a magnet before being placed back into the wheel.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:34:07. Maximum table bet limits. The table minimum and maximum bets may be set by the licensee and must be posted on the game. The licensee shall post any restriction on tip wagers for the dealers.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

Cross-Reference: Maximum amount of bets, SDCL 42-7B-14.

20:18:34:08. Posting of rules. Posted house rules and jackpot award rules shall be clear and legible and placed in a conspicuous and conveniently accessible location available to all players in the room. Rules posted and the place of posting must be approved by the executive secretary. Printed copies of house rules and jackpot award rules must be provided to players upon request.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:34:09. Type of roulette wheel. The licensee may, in its discretion, offer to the players a roulette wheel called the American wheel, a roulette wheel with 36 numbers plus two zeros, (0) and (00). The licensee may, in its discretion, offer to the players a roulette wheel called the European, French, or high limit wheel, a roulette wheel with 36 numbers and one zero (0).

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:34:10. Roulette layouts. The layout for a roulette table shall be approved by the executive secretary and shall have specific areas for the placement of the wagers authorized and an identifying number, assigned by the retail licensee, on the top surface of the table. The table number must be visible to stationary surveillance camera coverage.

If a licensee offers an approved optional wager, the layout for that roulette table shall also include, in a manner approved by the executive secretary, designated areas for the placement of the optional wagers. Each roulette table shall have a drop box and tip box attached to it.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

20:18:34:11. Inspection and security procedures. Prior to opening a roulette table for gaming activity, a licensed employee shall:

- (1) Inspect the roulette table and roulette wheel for any magnet or contrivance that would affect the fair operation of such wheel;
- (2) Inspect the roulette wheel to assure that it is level and rotating freely and evenly;
- (3) Inspect the roulette wheel to assure that all parts are secure and free from movement;
- (4) Inspect the roulette ball by passing it over a magnet or compass to assure its non-magnetic quality; and
- (5) Confirm that the layout of the roulette wheel and signage agree.

If a licensee uses a roulette wheel that has external movable parts, any adjustments to the movable parts shall be made by a licensed employee. Adjustments to the movable parts of a roulette wheel that is located on the casino floor may only be made when the game is not open to the public or when the roulette wheel is moved to a secure location outside the casino floor as approved by the executive secretary. All adjustments shall be completed prior to the required inspections in subdivisions (1) to (5), inclusive. The 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 by the executive secretary prior to reopening the roulette wheel and table for gaming activity; and a log shall be maintained which shall include, at a minimum, the date, the roulette table number, whether an adjustment or replacement was completed and the name, license number, and signature of the person making the adjustment or replacement.

Source: 41 SDR 218, effective July 1, 2015.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-1, 42-7B-11(13).

CHAPTER 20:18:35

REQUIREMENTS OF SPORTS WAGERING OPERATIONS

Section

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20:18:35:01. Definitions. As used in this chapter:

- (1) "Card" means the list of sporting events from which a patron can make selections for a given pool;
- (2) "Collegiate sporting event" means an athletic competition or event between two or more colleges or universities;
- (3) "Event category" means a specific type of event governed by a specific sports governing body or other oversight body;
- (4) "Event integrity monitoring" means the monitoring of sports wagering to identify unusual or suspicious wagering activities from a match-fixing and sporting corruption standpoint and then reporting such activities to required parties;
- (5) "Exchange wagering" means a form of wagering in which two or more persons place identically opposing wagers in a given market, allowing patrons to wager on both winning and nonwinning outcomes in the same event;
- (6) "In-game wagering" means placing a sports bet after a sporting event has started;
- (7) "Independent integrity monitoring provider" means an independent person who is registered with the commission and who receives reports of unusual wagering activity from the commission, a licensee, or a sports wagering services provider for the purpose of assisting in identifying suspicious wagering activity;
- (8) "International sporting event" means an international team or individual sporting event governed by an international sports federation or sport's governing body, including sporting events governed by the International Olympic Committee and the International Federation of Association Football;
- (9) "Internet" means the international computer network of interoperable packet-switched data networks;
- (10) "Involuntarily excluded person" means any individual who has been involuntarily excluded by the executive secretary or the commission and who is prohibited from establishing a wagering account or participating in gambling, gaming or wagering activities under the jurisdiction of the commission;
- (11) "Layoff wager" means a wager placed by a sports wagering operation with another sports operation for the purpose of offsetting patron wagers;
- (12) "Minor league sporting event" means a sporting event conducted by a sports league that has not been classified by the commission as a premier league in the sport;
- (13) "Mobile application" means an application on a mobile phone or other devices through which an individual is able to place a sports bet;
- (14) "Parlay bet" means a single sports bet that incorporates two or more individual bets for purposes of earning a higher payout if each bet wins;
- (15) "Patron" means a person who places a sports bet;
- (16) "Person" means an individual, partnership, corporation, association, limited liability company, or other legal entity;
- (17) "Personal identifying information" means any sensitive information that could potentially be used to identify a particular patron;
- (18) "Pool" means an offering where patrons may make selections of outcomes on a set number of sporting events on a card in order to enter for a chance to win all or a portion of the prize pool;
- (19) "Prize pool" means the prizing available for an individual tournament, contest, or pool;
- (20) "Professional sporting event" means a sporting event, other than a minor league

sporting event, in which two or more persons participate and receive remuneration in excess of their out-of-pocket expenses for participating in the event;

(21) "Prohibited person" means any person who:

(A) Has been placed on the list of excluded persons pursuant to SDCL 42-7B-61;

(B) Is under the age of 21;

(C) Is an employee of, or appointee to, the South Dakota Gaming Commission;

(D) Is wagering while not in the permitted boundary pursuant to SDCL 42-7B-79;

(E) Is wagering on behalf of another;

(F) Is wagering in violation of SDCL 42-7B-83;

(G) Is wagering in violation of state, local, or federal law;

(H) Is employing a wagering account in a suspended mode; or

(I) Is determined by the Commission to be prohibited from wagering through a contested case;

(22) "Rake" means the fee that is deducted by a licensee or sports wagering services provider from a wager made for exchange wagering, or entry fees paid by patrons who participate in a tournament, contest, or pool;

(23) "Rake adjustment" means an adjustment made by the licensee or sports wagering services provider to account for any shortfall in connection with a tournament, contest, or pool;

(24) "Sensitive information" means information such as transactional wagering data, authentication credentials, secure seeds and keys, and other data that must be handled in a secure manner;

(25) "Shared liquidity pool" means a tournament, contest, or pool conducted in South Dakota and at least one other jurisdiction;

(26) "Sporting event" means a contest or competition between individuals or teams, the results are determined at least in part by the skill or ability of an individual athlete or competitor or a team that is competing in the event;

(27) "Sporting event official" means any official as recognized by the respective sports governing body;

(28) "Sports bet" means an amount placed as a wager on the results of a sporting event, a contingency during a sporting event, or the performance or nonperformance of an athlete or competitor during a sporting event;

(29) "Sports governing body" means an organization that prescribes final rules and enforces codes of conduct for a sporting event and the athletes or competitors in the sporting event;

(30) "Sports wagering" means the acceptance of a wager on an authorized sporting event by any system of wagering authorized by the commission;

(31) "Sports wagering area" means the designated location in a gaming establishment approved by the commission, in which sports wagering may be conducted;

(32) "Sports wagering kiosk" means an automated device used by patrons to make wagers on sporting events, obtain wagering information, process sports wagering tickets and sports wagering vouchers, manage wagering accounts, and any other automated functions

(33) "Sports wagering operation" means a licensed operator in conjunction with a licensed sports wagering services provider who offers sports wagering to the public;

(34) "Sports wagering revenue" means the total of all wagers placed by patrons with a licensee, excluding free wagers and promotional play, minus all payments to patrons;

(35) "Sports wagering services provider" means a person who maintains or operates the software or hardware of a sports wagering system or facilitates wagering on a sporting event by providing a service defined in SDCL subdivision 42-7B-4(43);

(36) "Sports wagering system" means the hardware, software, firmware, communications technology, other equipment, as well as operator procedures implemented in order to allow patron participation in sports wagering, and, if supported, the corresponding equipment related to the display of the wager outcomes, and other similar information necessary to facilitate patron participation;

(37) "Sports wagering ticket" means a printed document or other electronic record that contains information pertaining to a sports bet;

(38) "Sports wagering voucher" means a printed record, or digital representation thereof, issued by a sports wagering system that may be used to fund a sports bet or may be redeemable for cash;

(39) "Suspicious wagering activity" means unusual wagering activity that is indicative of match fixing, the manipulation of an event, misuse of inside information, or other prohibited activity;

(40) "Unusual wagering activity" means abnormal wagering activity exhibited by patrons and deemed by the sports wagering operation as a potential indicator of suspicious activity;

(41) "Voluntarily-excluded person" means any individual whose name is included, at the individual's request, on a self-exclusion list;

(42) "Winnings" mean the total cash value of all property or sums, including currency or instruments of monetary value paid to a patron by a licensee as a direct result of a winning sports bet.

Source: 48 SDR 14, effective August 22, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

Example: (3) "Event Category": Professional Hockey governed by the National Hockey League

20:18:35:02. Internal control procedures. Either the licensee or sports wagering services provider or both shall submit a description of internal controls to the commission. The submission shall be made at least 30 days before sports wagering operations are to commence. All internal controls must be approved by the executive secretary prior to commencement of sports wagering operations. Either the licensee or sports wagering services provider, or both, shall submit to the commission any changes to the internal controls previously approved at least 15 days before the changes are to become effective unless otherwise directed by the executive secretary. Each licensee and sports wagering services provider and their employees shall be responsible for complying with all approved internal controls.

The submission describing the internal controls must include controls and reasonable methods for the following.

- (1) Automated and manual risk management procedures;
- (2) Employee management, including user access controls for all sports wagering personnel and segregation of duties;
- (3) Identifying and reporting fraud and suspicious conduct, including identifying unusual wagering activity and reporting such activity to an independent integrity monitoring provider;
- (4) Ensuring regulatory compliance;
- (5) Anti-money laundering compliance standards;
- (6) Accepting wagers and issuing pay outs, plus any additional controls for issuing pay outs

in excess of \$10,000;

(7) Accepting multiple wagers from one patron in a 24-hour cycle, including a process to identify patron structuring of wagers to circumvent recording and reporting requirements;

(8) All software applications that comprise the sports wagering system;

(9) Submitting and receiving approval of all types of wagers available to be offered by the system;

(10) Accounting for all integrated third-party systems;

(11) Reconciling assets and documents contained in a sports wagering area cashier's drawer and in sports wagering kiosks, including the drop and count procedures for sports wagering kiosks;

(12) Cashing winning tickets at the cage after the sports wagering area has closed, if applicable;

(13) Accepting value game chips for sports bets, if applicable;

(14) Issuance and acceptance of promotional funds and free bets for sports wagering;

(15) Identifying and preventing wagering by prohibited persons;

(16) Preventing past-post wagers from being placed;

(17) Paying winning wagers, in the event of a failure of the sports wagering system's ability to pay winning wagers;

(18) Filing an incident report with the commission for each sports wagering system failure and documenting the date, time, and reason for the failure along with the date and time the system is restored;

(19) Rejecting or refusing bets that which exceed the value set forth in SDCL 42-7B-14; and

(20) Any other information which may be required by the commission.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:03. Internal controls -- Third party involvement. To the extent a third party is involved in or provides any of the internal controls required in these rules, the licensee's or sports wagering services provider's controls, or the controls of both of them must document the roles and responsibilities of the third party and must include procedures to evaluate the adequacy of and monitor compliance with the third party's internal control procedures.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:04. Authorized and prohibited events and wager types. Before any licensee or sports wagering services provider may accept sports bets on an event category or sports bets of a particular wager type, the event category or wager type must be approved by the commission.

Prior to offering exchange wagering a licensee or sports wagering services provider must obtain approval from the commission. The rake taken on such wagers shall be subject to the wagering taxes pursuant to SDCL 42-7B-28, 42-7B-28.1 and 42-7B-28.2 as are paid on sports wagering net receipts.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:05. Event category and wager type approval. Unless already approved by the commission, a licensee or sports wagering provider shall request approval from the commission in the form and manner prescribed by the commission, subject to the following:

(1) A request for approval of an event category involving sporting events must include the name of the sports governing body and, to the extent known by the licensee or sports wagering services provider, a description of its policies and procedures regarding event integrity;

(2) A request for approval of an event category involving events other than professional and collegiate sporting events must include:

(A) A full description of the event category and the manner in which sports bets would be placed and winning sports bets would be determined;

(B) A full description of any technology that would be utilized to offer the event category;

(C) Assurance that the event category meets the requirements of subdivision (6);

(D) Any rules or voting procedures related to the event category; and

(E) Any other information the commission considers necessary.

(3) The commission may require an appropriate test or experimental period, under the terms and conditions the commission considers appropriate, before granting final approval to an event category or wager type. The commission may subject any technology that would be used to offer an event category or wager type to such testing, investigation, and approval as it considers appropriate.

(4) The commission may grant, deny, limit, restrict, or condition a request made pursuant to this rule for any cause. The commission may issue an order revoking, suspending, or modifying any approval of an event category or wager type granted under this rule for any cause.

(5) The commission shall notify all licensees and sports wagering services providers of any additions, deletions, or changes regarding authorized event categories and authorized wager types.

(6) A licensee or sports wagering services provider may only accept sports bets on events and wager types for which:

(A) The event can be effectively supervised by a sports governing body or other oversight body;

(B) There are integrity safeguards in place;

(C) The outcome can be documented and verified;

(D) The outcome can be generated by a reliable and independent process;

(E) The outcome is not affected by any wager placed;

(F) The event and acceptance of the wager type are conducted in conformity with all applicable laws; and

(G) Wagering on the event and acceptance of the wager type are consistent with the public policy of this state.

(7) The commission may use any information it considers appropriate, including, but not limited to, information received from a sports governing body, to determine whether to authorize or prohibit wagering on a particular event or a particular wager type.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:06. Commission enforcement authority. The commission reserves the right to prohibit the acceptance of any sports bets and may order the cancellation of sports bets and require refunds on any sporting event or other event category, event, or wager type for which wagering would be contrary to the public policies of the state.

If it is determined that a licensee or sports wagering services provider has offered an unauthorized or prohibited event category, event, or wager type, the licensee or sports wagering services provider must immediately cancel and refund all sports bets associated with the unauthorized or prohibited event category, event, or wager type. The licensee or sports wagering services provider must notify the commission promptly after canceling and refunding the sports bets.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:07. Prohibited practices. In addition to the events prohibited by SDCL 42-7B-82, a licensee or sports wagering services provider may not accept sports bets on any of the following:

- (a) Horse and dog races;
- (b) Any event or where the majority of the athletes or competitors in the sporting event are under the age of 18 years;
- (c) A fantasy sports contest;
- (d) The injury of an athlete or competitor in an event;
- (e) Any event or wager type whose outcome has already been determined and is publicly known; and
- (f) Any wagering category not authorized by law or commission rules adopted in compliance with law.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:08. Prohibiting wagers for good cause -- Request from governing body. A sports governing body may request sports wagering information or may request the commission to restrict, limit, or exclude sports wagering on a particular event or a particular wager type.

The request must be submitted in the form and manner prescribed by the commission and must include:

- (1) The identity of the sports governing body and contact information for at least one individual who will be the primary point of contact for questions related to the request;
- (2) A description of the sports wagering information, event, or wager type that is the subject of the request;

- (3) Information explaining why granting the request is necessary to protect the integrity of the event or public confidence in the integrity of the event that is the subject of the request. This may include information regarding any credible threat to the integrity of the event that is beyond the control of the sports governing body to preemptively remedy or mitigate; and
- (4) Any other information required by the commission.

To ensure proper consideration, the request must be sent to the commission at least ten days before the particular event. At any time, however, a sports governing body should report information to the commission if it involves allegations of match-fixing, the manipulation of an event, misuse of inside information, or other prohibited activity.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:09. Prohibiting wagers for good cause -- Commission notice and process. On receipt of a complete request from a sports governing body, the commission shall notify all licensees in writing. All licensees must be given an opportunity to respond to the request. The notification must include the date by which written responses must be submitted to the commission.

The commission shall promptly review the request, any responses, and any other available information and shall decide on the request before the start of the event, if feasible, or as expeditiously as possible. In making its determination, the commission may consult with independent integrity monitoring providers and any other jurisdictions it considers appropriate. The commission may grant the request, in its sole discretion, if it determines that granting the request is necessary to protect the integrity of the event or public confidence in the integrity of the event that is the subject of the request. The commission shall notify, in writing, the sports governing body and all licensees of its decision.

On request of a sports governing body or licensee, the commission may reconsider its decision if there is a material change in the circumstances related to the original request.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:10. Patron protection information. A licensee or sports wagering services provider shall provide patron protection information to individuals and patrons on demand. The patron protection information must include:

- (1) Information about potential risks associated with excessive wagering, and contract information for an organization based in South Dakota or the United States, approved by the commission, dedicated to helping people with potential gambling problems;
- (2) Notification that underage gambling is a criminal offense and that anyone who facilitates an individual under the age of 21 to place a sports bet has committed a criminal offense and must be prohibited from sports wagering;

- (3) A list of the available patron protection measures that can be invoked by the patron, such as self-exclusion and information on how to invoke those measures;
- (4) For wagering accounts, mechanisms in place for patrons to detect unauthorized use;
- (5) Information on how disputes can be filed with the licensee or sports wagering services provider pursuant to § 20:18:12.01:07; and
- (6) The method for filing with the commission an unresolved dispute after all reasonable means to resolve the dispute with the licensee or sports wagering services provider have been exhausted, pursuant to § 20:18:12.01:07.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:11. Wagering rules. A licensee or sports wagering services provider shall adopt comprehensive wagering rules, that must be approved by the commission to be effective.

The wagering rules, together with any other information the commission considers appropriate, must be conspicuously displayed on the licensee's or its sports wagering services provider's digital platform or mobile application, included in the terms and conditions of wagering accounts, and copies must be made readily available to individuals and patrons.

The wagering rules must address the following items regarding sports bets:

- (1) Types of sports bets accepted;
- (2) Minimum and maximum sports bets;
- (3) Description of the process for handling incorrectly posted events, odds, sports bets, or results;
- (4) Method for calculation and payment of winning sports bets;
- (5) Effect of schedule changes;
- (6) Method of notifying patrons of odds or proposition changes;
- (7) Acceptance of sports bets at other than posted terms;
- (8) Procedures related to pending, winning sports bets;
- (9) Method of contacting the licensee or sports wagering services provider for questions and disputes pursuant to § 20:18:12.01:07;
- (10) Description of prohibited persons and events and wager types on which sports bets may not be accepted under SDCL chapter 42-7B and this chapter;
- (11) Methods of funding a wager;
- (12) Maximum payouts established by limiting the amount of a sports bet and not applied to reduce the amount paid to a patron as a result of a winning sports bet;
- (13) A policy that the licensee or sports wagering services provider can cancel sports bets for obvious errors pursuant to the licensee's or sports wagering services provider's internal controls, that must include a definition and procedures for obvious errors;
- (14) Parlay bet related rules;
- (15) Rules and procedures for wagering communications;
- (16) What is to occur when an event or any component of an event on which sports bets are accepted is canceled; and
- (17) Any other wagering rule-related information the commission determines necessary.

Amendments to the wagering rules must be approved by the commission to be effective. Failure by a licensee to act in accordance with the wagering rules may result in disciplinary action.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-15, 42-7B-43.

20:18:35:12. Setting -- Display of available wagers. Available wagers must be displayed to the public and the gaming establishment's closed-circuit television system. The display must include the odds and a brief description of the event and wagering proposition.

A licensee or sports wagering services provider may not set lines or odds or offer wagering propositions designed for the purposes of ensuring that a patron will win a sports bet or a series of sports bets unless the lines, odds, or wagering propositions are offered in connection with a bonus or promotional offer conducted in accordance with the rules in § 20:18:35:21.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-15, 42-7B-43.

20:18:35:13. Allowable bets. Sports bets may only be made by patrons using the following:

- (a) Cash or sports wagering vouchers;
- (b) Cash equivalent;
- (c) Bonus or promotional credit;
- (d) Value gaming chips;
- (e) Funds within a wagering account; and
- (f) Any other means approved by the commission.

The maximum amount that may be accepted by a licensee or sports wagering services provider from a patron on any single sports bet shall be limited to the value set forth in SDCL 42-7B-14.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-15, 42-7B-43.

20:18:35:14. Refusing bets. A licensee or sports wagering services provider may refuse any sports bet at any time for what the licensee or sports wagering service provider considers good and sufficient reason. Such action must be logged and made available to the commission upon request.

A licensee or sports wagering services provider may not accept a sports bet on an event unless a wagering proposition is posted on the sports wagering system.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-15, 42-7B-43.

20:18:35:15. Cancelling bets. A licensee or sports wagering services provider may, in their discretion, cancel an accepted sports bet for an obvious error. An obvious error must be defined in the licensee's or sports wagering services provider's internal controls.

A licensee or sports wagering services provider must cancel a sports bet made by a prohibited person, confiscate the funds and deliver the funds to the commission. A licensee or sports wagering services provider must cancel a wager under this subdivision when the licensee or sports wagering services provider becomes aware that the individual who made the sports bet is a prohibited person.

Except as otherwise provided in this chapter, a licensee or sports wagering services provider may not unilaterally cancel an accepted sports bet without prior written approval of the commission.

A licensee or sports wagering services provider shall refund all accepted sports bets in full as soon as reasonably possible if a single event or market is cancelled for any reason

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-15, 42-7B-43.

20:18:35:16. Prohibited persons. A licensee and a sports wagering services provider shall make reasonable efforts to prevent a prohibited person from placing a sports bet.

If a licensee or sports wagering services provider detects or is notified of an individual suspected of being a prohibited person who had engaged or is engaging in prohibited sports wagering, the licensee or sports wagering services provider, or both, shall use reasonable measures to verify whether the individual is prohibited or not.

If the licensee or sports wagering services provider cannot establish by reasonable measures that the individual is prohibited, the individual is presumed to not be a prohibited person for the purposes of this section.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-83.

20:18:35:17. Layoff wagers. A licensee or sports wagering services provider may place and accept layoff wagers. When placing a layoff wager, the licensee or sports wagering services provider placing a layoff wager shall disclose its identity to the licensee or sports wagering services provider accepting the layoff wager. A licensee or sports wagering services provider may decline to accept a layoff wager in its sole discretion. Layoff wagers must be placed and accepted in accordance with any other internal control procedures prescribed by the commission.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:18. Tournaments, contests, and pools. No sports wagering tournament, contest, or pool may be conducted unless the licensee or sports wagering services provider, before the first time a tournament, contest, or pool type is offered, files written notice with the commission of its intent to offer that tournament, contest, or pool type and obtains approval from the commission. The licensee or sports wagering services provider may file a master list with the commission to satisfy the requirement. The written notice must include:

(1) A detailed description of the tournament, contest, or pool type and must include the rules of the tournament, contest, or pool; the requirements for entry; the entry fees; the rake; and potential payouts. The request must also indicate whether or not the proposed type involves a shared liquidity pool with the prize pool being comprised of entry fees collected from patrons in multiple jurisdictions;

(2) Once a sports wagering operator or sports wagering vendor receives approval to offer a tournament, contest, or pool type, the sports wagering operator or sports wagering vendor may not be required to seek additional approvals from the commission for each subsequent type that is substantially similar but must submit notification to the commission with the details required in subdivision 1.

Source: 48 SDR 14, effective August 22, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:19. Tournament record keeping. Each licensee or sports wagering services provider shall maintain a record of each tournament, contest or pool it offers that must include all of the following:

- (1) Name or identification of the tournament, contest, or pool;
- (2) The date and time the tournament, contest, or pool occurred or will occur;
- (3) Events and wager types;
- (4) Rules concerning tournament, contest, or pool play and participation;
- (5) Each registered patrons:
 - (A) Unique patron ID and username;
 - (B) Amount of entry fee collected, including any bonus or promotional credits, and the date collected;
 - (C) Scorings and rankings; and
 - (D) Amount of winnings paid, including any bonus or promotional credits, and the date paid;
- (6) Total amount of entry fees collected, including any bonus or promotional credits;
- (7) Total amount of winnings paid to patrons, including any bonus or promotional credits;
- (8) Total rake, commission, or fees collected;
- (9) Funding source amount or amounts comprising the prize pool;
- (10) Prize structure on payout;
- (11) Methodology for determining winner or winners; and
- (12) The current status of the tournament, contest, or pool.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-83.

20:18:35:20. Tournament payout, fees, taxes, and rake. Fees collected, less cash prizes paid, are subject to the wagering taxes pursuant to SDCL 42-7B-28, 42-7B-28.1 and 42-7B-28.2. In determining sports wagering net receipts, to the extent that cash prizes paid out exceed fees collected, the licensee or sports wagering service provider shall be deemed to have paid the fees for the participants.

The licensee or sports wagering services provider shall be responsible for the rake. The rake may not exceed 10% of fees collected unless otherwise approved by the commission. The licensee's or sports wagering services provider's rake collected from patrons that enter a tournament, contest, or pool while located in the state of South Dakota less any rake adjustment, if applicable, is subject to the wagering taxes pursuant to SDCL 42-7B-28, 42-7B-28.1 and 42-7B-28.2 as are paid on sports wagering net receipts, with the following additional requirements:

(1) At no time may the calculation resulting from a rake or rake adjustment be negative; and

(2) For a tournament, contest, or pool that utilizes shared liquidity available to patrons in South Dakota and other jurisdictions, the rake rate must be the same for all jurisdictions participating.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-28, 42-7B-28.1, 42-7B-28.2, 42-7B-43.

20:18:35:21. Bonus or promotional wagering. A licensee or sports wagering services provider may conduct sports wagering bonus or promotional offers subject to the following:

(1) A licensee or sports wagering services provider shall maintain a record of the following information for all bonus or promotional offers related to sports wagering:

- (A) The unique ID for each bonus or promotional offer;
- (B) The date and time the bonus or promotional offer was or is scheduled to be available;
- (C) The terms of the bonus or promotional offer; and
- (D) The date and time the bonus or promotional offer was or is scheduled to be decommissioned;

(2) All bonus or promotional offers must be stated in clear and unambiguous terms and must be accessible by the patron after the offer is accepted and before completion. Offer terms and the record of all offers must include all of the following:

- (A) The date and time presented;
- (B) The date and time the offer is active and expires;
- (C) Patron eligibility, including any limitations on participation;
- (D) Any restriction on withdrawals of funds;
- (E) Wagering requirements and limitations on events or wager types;
- (F) How the patron is notified when they have received an award;

- (G) The order in which funds are used for wagers;
- (H) Eligible events or wager types; and
- (I) Rules regarding cancellation;

(3) A licensee or sports wagering services provider shall provide a clear and conspicuous method for a patron to cancel the patron's participation in a bonus or promotional offer that utilizes restricted wagering credits that cannot be cashed out until a wagering requirement or other restrictions associated with the credits is met;

(4) Upon request for cancellation, the licensee or sports wagering services provider shall inform the patron of the amount of unrestricted funds that will be returned upon cancellation and the value of restricted wagering credits that will be removed from the wagering account;

(5) If a patron elects to proceed with cancellation, unrestricted funds remaining in a patron's wagering account must be returned according to the terms of the bonus or promotional offer; and

(6) Once a patron has met the terms of a bonus or promotional offer, a licensee or sports wagering services provider may not limit winnings earned by the patron while participating in the offer.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:22. Taxation requirements. Each licensee or sports wagering services provider shall, at all times, comply with Internal Revenue Service (IRS) requirements for reporting and withholding proceeds from sports bets by patrons and shall send to patrons subject to IRS reporting or withholding a Form W2-G summarizing the information for tax purposes following a winning wager being paid out to the patron. Upon written request, the licensee or sports wagering services provider shall provide patrons with summarized tax information on sports wagering activities.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:23. Bank secrecy act compliance. A licensee or sports wagering services provider shall comply with all provisions of the Bank Secrecy Act of 1970, 31 U.S.C. §§ 5311 to 5332, applicable to the licensee's or sports wagering services provider's sports wagering operation.

A licensee or sports wagering services provider must, with regard to its sports wagering operation, maintain records related to its compliance with the Bank Secrecy Act of 1970, 31 U.S.C. §§ 5311 to 5332, including all currency transaction reports, suspicious activity reports, and any supporting documentation, for a minimum of five years. The licensee or sports wagering services provider must provide the records to the commission and any appropriate law enforcement agencies on request, consistent with the authorization prescribed in the Bank Secrecy Act of 1970 and applicable regulations.

A licensee or sports wagering services provider shall provide a written notice to the commission as soon as the licensee or sports wagering services provider becomes aware of a compliance review that is conducted by the Internal Revenue Service under the Bank Secrecy Act of 1970 and involves or impacts the licensee's or sports wagering services provider's sports wagering

operation. The licensee or sports wagering services provider shall provide a copy of the compliance review report or the equivalent to the commission within ten days after the receipt of the report by the licensee or sports wagering services provider.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:24. Integrity monitoring -- Suspicious behavior. A licensee or sports wagering services provider shall have internal controls in place to identify and report unusual wagering activity to the commission.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:25. Integrity monitoring -- Suspension of wagering. A licensee or sports wagering services provider receiving a report of suspicious wagering activity must be permitted to suspend wagering on events or wager types related to the report but may only cancel sports bets related to the report after receiving approval from the commission.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:26. Integrity monitoring -- Evaluation. The commission may require a licensee or sports wagering services provider to provide any hardware or software necessary to the commission or to an independent gaming laboratory approved by the commission for evaluation of its sports wagering offering or to conduct further monitoring of data provided by its sports wagering system.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:27. Integrity monitoring -- Maintaining records. A licensee or sports wagering services provider shall maintain records of all event integrity monitoring services and activities for a minimum of five years and must provide such records to the commission on request.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:28. Integrity monitoring -- Sharing of information. If the commission receives information regarding the integrity of events on which sports bets are made, the commission may, to the extent allowed in SDCL chapter 42-7B and this chapter, share such information with a licensee, sports wagering services provider, independent integrity monitoring provider, sports

governing body, sports team, law enforcement entity, regulatory agency, or other person the commission considers appropriate.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:29. Integrity monitoring -- Registration of independent integrity provider. A licensee may contract with an independent integrity monitoring provider to assist with the identification and reporting. An independent integrity monitoring provider shall register as a vendor with the commission before providing event integrity monitoring services to a licensee or sports wagering services provider under SDCL chapter 42-7B and this chapter.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:30. Integrity monitoring -- Confidentiality. A licensee or sports wagering services provider shall maintain the confidentiality of information provided by a sports governing body to the licensee or sports wagering services provider related to unusual wagering activity, suspicious wagering activity, or the integrity of an event, unless disclosure is required by the commission, any applicable law, or a lawful order of a court of competent jurisdiction.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:31. Integrity monitoring -- Personnel and notification. A licensee or sports wagering services provider must employ or retain persons responsible for ensuring the operation and integrity of sports wagering and reviewing all reports of suspicious behavior. Unless otherwise directed by the commission, a licensee or sports wagering services provider must promptly notify the commission upon detecting or becoming aware of any of the following:

- (1) Any person participating in sports wagering who is engaging in or attempting to engage in, or who is reasonably suspected of, cheating, theft, embezzlement, collusion, use of funds derived from illegal activity, money laundering, or any other illegal activities;
- (2) Any person who is reasonably suspected of misrepresenting their identity or using false identification to establish or attempt to establish a wagering account;
- (3) Suspected criminal activity related to any aspect of sports wagering;
- (4) Any criminal or disciplinary proceedings commenced against the licensee or sports wagering services provider in connection with its sports wagering operations; or
- (5) Any sports bets that violate any applicable state or federal law.

A sports wagering services provider must promptly notify any affected licensees of any issues impacting the integrity of sports wagering.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:32. Commission access to information. Licensees and sports wagering services providers shall detail the controls that are in place to assure that all information the commission requires to be maintained under SDCL chapter 42-7B or this chapter is appropriately segregated and controlled to prevent unauthorized access. Licensees and sports wagering services providers must provide the commission with access to all such information and the equipment and facilities on which or within which the information is maintained in a manner approved by the commission pursuant to internal control procedures. All information necessary for the commission to conduct any investigation must be provided to the commission immediately upon request.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(1)(4).

20:18:35:33. Anti-money laundering monitoring. The licensee or sports wagering services provider shall develop and implement anti-money laundering procedures and policies that adequately address the risks posed by sports wagering for the potential of money laundering and terrorist financing. Additional requirements for anti-money laundering procedures and policies may be specified by the commission through internal control procedures.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:34. Reserve requirement. A licensee or sports wagering services provider shall submit a plan to maintain a reserve in the amount necessary to ensure the security of funds held in wagering accounts for sports wagering and the ability to cover the outstanding sports wagering liability. All plans shall require commission approval.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:35. Form of reserve. The reserve must be in the form of:

(1) Cash or cash equivalents maintained in a U.S. bank account segregated from the licensee's or sports wagering services provider's operational funds;

(2) An irrevocable letter of credit;

(3) A bond;

(4) Payment processor reserves and receivables;

(5) Any other form acceptable to the commission pursuant to internal control procedures; or

(6) Any combination of the allowable forms described in paragraphs (1) to (6).

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:36. Amount of reserve -- Transfer, access, and audit. The reserve must be not less than the greater of \$25,000 or the sum of the following amounts:

- (1) The daily ending cashable balance of all patrons' wagering accounts;
- (2) Pending withdrawals;
- (3) Amounts accepted by the licensee or sports wagering services provider on sports bets whose outcomes have not been determined; and
- (4) Amounts owed but unpaid on winning sports bets through the period established by the licensee or sports wagering services provider for honoring winning sports bets.

Funds held in wagering accounts may not be automatically transferred by a licensee or sports wagering services provider. A licensee or sports wagering services provider may not require a patron to transfer funds from his or her wagering account in order to circumvent this rule.

Amounts available to patrons for play that are not redeemable for cash may be excluded from the reserve computation.

A licensee or sports wagering services provider shall ensure the amount of its reserve is sufficient and shall maintain access to all wagering accounts and transaction data. Unless otherwise directed by the commission, a licensee or sports wagering services provider shall file a monthly attestation with the commission, in the form and manner prescribed by the commission through internal control procedures, that funds have been safeguarded under this section.

The commission may audit a licensee's or sports wagering services provider's reserve at any time and may direct a licensee or sports wagering services provider to take any action necessary to ensure the purposes of this section are achieved. The commission may require the licensee or sports wagering services provider to modify the form of its reserve or increase the amount of its reserve.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:37. Reports of sports wagering operations. The sports wagering operator shall prepare reports supporting sports wagering revenue, wagering liability, winnings, and any other reports required by the internal controls. Additional reporting requirements may be specified by the internal controls. Any information provided under this section is confidential and proprietary and is exempt from disclosure.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:38. Retention of records. Unless otherwise expressed, all records required by this chapter must be maintained for three years. Redeemed sports wagering tickets and sports wagering vouchers as described in chapter 20:18:35, shall be retained for a period of 90 days from the date

of redemption. Redeemed sports wagering tickets and sports wagering vouchers may be destroyed after 90 days if the record of the transaction is retrievable from the sports wagering system reports.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-11(1)(4), 42-7B-76.

20:18:35:39. Internal control procedures audit. Licensees shall have internal control procedures independently audited at least once every two years with the results documented in a written report, which shall be maintained and available to the commission. This requirement includes internal control procedures conducted by a sports wagering services provider on behalf of the licensee. The following apply to independent audits:

(1) Independent audits may be conducted by the commission, or a commission approved third-party auditor. The commission may, in its discretion, allow for an internal audit department within the licensee or parent company of the licensee, which is independent of the sports wagering operation, to serve as a third-party auditor for use in completing this audit;

(2) The commission, or third-party auditor shall be responsible for auditing the licensee's compliance with SDCL chapter 42-7B and chapter 20:18:35, including those adopted in appendix A of GLI-33, the internal control system, and any other applicable rules and regulations;

(3) Documentation, including checklist, programs, reports, corrective actions, and other items, must be prepared to evidence all independent audit work performed as it relates to the requirements of this section, including all instances of noncompliance;

(4) Independent audit reports must include objectives, procedures and scope, findings and conclusions, and recommendations;

(5) Independent audit findings must be reported to management. Management shall respond to the independent audit findings and shall state the corrective measures to be taken to avoid recurrence of the audit exception. Such management responses must be included in the final independent audit report;

(6) Follow-up observation and examinations must verify that corrective action has been taken regarding all instances of noncompliance cited by the independent audits, or by the commission. The verification must be performed within six months following the date of notification; and

(7) Where approved by the commission, a licensee may leverage the results of prior audits conducted within the two-year period by the same third-party auditor in another sports wagering jurisdiction. Such leveraging must be noted in the audit report. This leveraging does not include any internal control procedures unique to the state, which require new audits.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-43, 42-7B-76.

Reference: **GLI-33 Standards for Event Wagering Systems**, v1.1, May 14, 2019, Gaming Laboratories International, LLC. Copies may be obtained without charge from Gaming Laboratories International, LLC, at 600 Airport Road, Lakewood, New Jersey, 08701 (732) 942-3999 and online at Gaminglabs.com/gli-standards.

20:18:35:40. Annual financial audit. A financial audit of the sports wagering operations of the licensee shall be conducted by certified public accountants authorized to practice in the state of South Dakota and provided to the commission each year within 180 days of the licensee's fiscal year that meets the following requirements:

- (1) Inclusion of an audited balance sheet and audited profits-and-losses statement and breakdown of expenditures and subsidiaries of advance deposit sports wagering activities;
- (2) Inclusion of a supplement schedule indicating financial activities on a calendar-year basis if the licensee's fiscal year does not correspond to the calendar year;
- (3) Report of any material errors, and irregularities that may be discovered during the audit, or notice of any audit adjustments;
- (4) Availability, upon request, of an engagement letter for the audit between the licensee and the auditing firm; and
- (5) Inclusion of a supplemental schedule for South Dakota operations and a breakdown of sports wagering activities by each South Dakota casino in which there is an agreement. The supplemental schedule may be unaudited; however, if unaudited the top financial officer of the company shall provide a statement attesting to the accuracy of the information provided to the commission.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-43, 42-7B-76.

20:18:35:41. Self-exclusion plan. A licensee or sports wagering services provider conducting wagering on sports events shall develop a self-exclusion plan or voluntary exclusion plan to prevent any person, who informs the licensee of that person's desire to participate in a self-exclusion or voluntary exclusion program, from participating in wagering on sports events. This plan must be submitted to the executive secretary for review and approval. The plan must include monthly reporting of voluntarily excluded persons.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35:42. Provider error -- Reimbursement. Unless otherwise approved by the commission, a sports wagering services provider shall be responsible for reimbursing a licensee for bets paid by the licensee as a result of the error or omission of the sports wagering services provider.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

CHAPTER 20:18:35.01

SPORTS WAGERING TESTING, APPROVAL, AND CHANGES

Section

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20:18:35.01:01. Sports wagering system. A licensee shall use a sports wagering system to offer, conduct, or operate sports wagering in accordance with applicable laws and this chapter. Only a licensee or its sports wagering services provider may process, accept, offer, or solicit sports bets. If a licensee does not utilize a sports wagering services provider and, instead, develops its own sports wagering system, the licensee is considered both a licensee and a sports wagering services provider for the purposes of this part.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.01:02. Technical Standards. All equipment and systems integral to the conduct of sports wagering and advance deposit sports wagering must meet the specifications set forth in this chapter or other technical specifications as prescribed by the commission through internal control procedures. Failure to comply with the approved specifications, internal controls, or technical specifications may result in disciplinary action by the commission.

Licensees and sports wagering services providers must comply with, and the commission adopts and incorporates by reference, the Gaming Laboratories International, LLC Standard GLI-33: Standards for Event Wagering Systems, v1.1, and its Appendices. The GLI-33 standards are intended to supplement rather than supplant other technical standards and requirements under these rules.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

Reference: **GLI-33 Standards for Event Wagering Systems**, v1.1, May 14, 2019, Gaming Laboratories International, LLC. Copies may be obtained without charge from Gaming Laboratories

International, LLC, at 600 Airport Road, Lakewood, New Jersey, 08701. (732) 942-3999, and online at Gaminglabs.com/gli-standards.

20:18:35.01:03. Certification testing. Prior to conducting sports wagering, and annually thereafter, all equipment and systems integral to the conduct of sports wagering and advance deposit sports wagering must be submitted to a commission-designated independent testing laboratory for evaluation. Certification and executive secretary approval must be received prior to the use of any equipment or system to conduct sports wagering. The submission for evaluation must include the following:

(1) The licensee shall provide internal controls that protect the integrity of all hardware, networks, applications, databases, and data of the system to the executive secretary for approval prior to completion of the system testing period and final approval of the system; and

(2) The licensee and sports wagering services provider shall submit change control processes to the executive secretary for approval. These processes must be:

(A) Developed in accordance with the Gaming Laboratories International, LLC Guide GLI-CMP Change Management Program Guide, v1.0; and

(B) Certified prior to its deployment and audited at an annual interval by the independent gaming laboratory.

At least annually, each product operating under the certified change control processes must be fully certified to the specifications set forth in this chapter or other technical specifications as prescribed by the commission through internal control procedures and accompanied by formal certification documentation from the independent gaming laboratory. The licensee and sports wagering services provider, where separate, may seek approval for extension beyond the annual approval if hardship can be demonstrated. Granting of a hardship waiver is the sole discretion of the commission.

Source: 48 SDR 14, effective August 22, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

Reference: **GLI-CMP Change Management Program Guide**, v1.0, May 6, 2020 Gaming Laboratories International, LLC. Copies may be obtained without charge from Gaming Laboratories International, LLC, at 600 Airport Road, Lakewood, New Jersey, 08701. (732) 942-3999, and online at Gaminglabs.com/gli-standards.

20:18:35.01:04. Location of servers. A sports wagering services provider shall locate the primary server other equipment responsible for the acceptance of patron wagers in a secure location within the city of Deadwood. The secure location selected must have adequate security, 24-hour surveillance, and be licensed and approved by the executive secretary or executive secretary's designee.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.01:05. Internet or cloud-based hosting. The executive secretary may approve the use of internet or cloud-based hosting of duplicate data or data not related to transactional wagering data upon written request by a sports wagering operation.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.01:06. Integrity and security assessment. System integrity and security risk assessment must be performed annually on all sports wagering systems by an independent information technology security professional approved by the executive secretary.

The system integrity and security risk assessment shall be conducted no later than 90 days after commencing operations and annually thereafter.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.01:07. Integrity and security assessment -- Scope. The scope of the sports wagering system integrity and security assessment is subject to the approval of the commission and must include:

(1) A vulnerability assessment of digital platforms, mobile applications, internal, external, and wireless networks with the intent of identifying vulnerabilities of all devices, the sports wagering systems, and applications transferring, storing, and/or processing personal identifying information or other sensitive information connected to or present on the networks;

(2) A penetration test of all digital platforms, mobile applications, and internal, external, and wireless networks to confirm devices, the sports wagering systems, and applications are susceptible to compromise;

(3) A review of the firewall rules to verify the operating condition of the firewall and the effectiveness of its security configuration and rule sets that must be performed on all perimeter and internal firewalls;

(4) A technical security control assessment against the provisions adopted in Appendix B of GLI-33 and chapter 20:18:35.01 with generally accepted professional standards;

(5) An evaluation of information security services, cloud services, payment services, financial institutions, payment processors, location services, and any other services that may be offered directly by the licensee or involve the use of third parties; and

(6) At the discretion of the executive secretary, any additional assessments or specific testing criteria which may be required by internal control procedures.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.01:08. Integrity and security assessment -- Report. The full independent information technology security professional's report on the assessment must be submitted to the executive secretary no later than 30 days after the assessment is conducted and must include:

- (1) A scope of review;
- (2) The name and company affiliation of the individual or individuals who conducted the assessment;
- (3) The date of assessment;
- (4) Findings;
- (5) Recommended corrective action, if applicable; and
- (6) The licensee's or sports wagering services provider's response to the findings and recommended corrective action.

Where approved by the executive secretary, it is acceptable for the independent information technology security professional to leverage the results of prior assessments within the past year conducted by the same professional against standards from the International Organization for Standardization, the International Electrotechnical Commission, the National Institute of Standards and Technology, the Payment Card Industry, or equivalent. Such leveraging shall be noted in the professional's report. Components unique to the state must be given fresh assessments.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.01:09. Network security in gaming establishments. If a guest network is offered that provides internet access for patrons, hotel guests, or vendors, the guest network must be physically or logically segregated from the network used to serve the sports wagering system. Network traffic on the guest network must be non-routable to the sports wagering system network.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.01:10. Technical security controls. In addition to the technical security controls set out in Appendix B of GLI-33, additional technical security controls may be adopted by the commission through internal control procedures.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

Reference: GLI-33 Standards for Event Wagering Systems, v1.1, May 14, 2019, Gaming Laboratories International, LLC. Copies may be obtained without charge from Gaming Laboratories International, LLC, at 600 Airport Road, Lakewood, New Jersey, 08701. (732) 942-3999, and online at Gaminglabs.com/gli-standards.

20:18:35.01:11. Information security management system (ISMS). Each licensee or sports

wagering services provider shall implement, maintain, regularly review and revise, and comply with a comprehensive information security management system, to take reasonable steps to protect the confidentiality, integrity, and availability of personal identifying information of individuals who place a wager with the licensee or sports wagering services provider. The system shall contain administrative, technical, and physical safeguards appropriate to the size, complexity, nature, and scope of the operations and the sensitivity of the personal identifying information owned, licensed, maintained, handled, or otherwise possessed by the licensee or sports wagering services provider. Additional specifications may be adopted by the commission through internal control procedures.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-43.

20:18:35.01:12. Test accounts. A licensee or sports wagering services provider may establish test accounts to be used to test the various components and operation of a sports wagering system pursuant to internal controls adopted by the licensee or sports wagering services provider. In establishing test accounts, the licensee or sports wagering services provider shall address:

- (1) The procedures for issuing funds used for testing, including the identification of who may issue the funds and the maximum amount of funds that may be issued;
- (2) The procedures for assigning each test account for use by only one individual or a specific scenario or instance of a test account that may be shared by multiple users if each user's activities are separately logged;
- (3) The maintenance of a record for all test accounts, to include when they are active, to whom they are issued, and the employer of the individual to whom they are issued;
- (4) The procedures for auditing testing activity by the licensee or sports wagering services provider to ensure the accountability of funds used for testing and proper adjustments to sports wagering revenue; and
- (5) The procedures for authorizing and auditing out-of-state test activity.

Source: 48 SDR 14, effective August 22, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

CHAPTER 20:18:35.02

SPORTS WAGERING AREA

Section

20:18:35.02:01	Designated sports wagering area.
20:18:35.02:02	Sports wagering transactions.
20:18:35.02:03	Sports wagering kiosks.
20:18:35.02:04	Wrong ticket claims.
20:18:35.02:05	Winning wagers and vouchers.
20:18:35.02:05.01	Vouchers -- System recording requirements.
20:18:35.02:06	Surrender of tickets and vouchers required.

20:18:35.02:01. Designated sports wagering area. A floor plan identifying the designated sports wagering area, including the location of any sports wagering kiosks and sports wagering windows, shall be filed by the licensee operating sports wagering with the executive secretary for review and approval at least ten days prior to accepting any sports bets. Modification to a previously approved plan must be submitted for approval at least ten days prior to implementation.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.02:02. Sports wagering transactions. Thirty days prior to offering sports wagering, a sports wagering operation shall submit a plan to the commission that meets the requirements of chapter 20:18:35.02 as determined by the executive secretary. Sports wagering transactions may only be conducted from:

- (1) A sports wagering window located in the sports wagering area or other window locations as approved by the executive secretary;
- (2) Sports wagering kiosks in locations approved by the executive secretary;
- (3) A designated window in the cashier's cage for the redemption of winning sports wagering tickets; or
- (4) A digital platform or mobile application approved by the executive secretary.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-15, 42-7B-43.

20:18:35.02:03. Sports wagering kiosks. A licensee may utilize sports wagering kiosks located in a gaming establishment for wagering transactions in conjunction with a sports wagering system in a location approved by the executive secretary. A kiosk shall be established and operated as follows:

(1) All aspects of a sports wagering kiosk, including the computer and any related hardware, software, or related devices, must be tested by a commission-designated independent testing laboratory and approved by the commission prior to use by a licensee;

(2) Sports wagering kiosks are subject to the approvals and other requirements of the commission;

(3) All sports wagering kiosks must have a sign permanently affixed to the device notifying the public that patrons must be 21 years or older to gamble;

(4) On a schedule approved by the executive secretary, a licensee's accounting department shall remove the drop boxes in the sports wagering kiosks. The drop boxes must be monitored and recorded by surveillance. The licensee shall submit the sports wagering kiosk drop schedule to the executive secretary or the executive secretary's designee; and

(5) The licensee's accounting department shall reconcile the sports wagering kiosks on a schedule approved by the executive secretary pursuant to internal controls. Any variance of \$500 or more must be documented by the accounting department and reported in writing to the commission's audit department within five business days after drop and count of sports wagering kiosks. The report must indicate the cause of the variance and shall contain any documentation required to support the stated explanation.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.02:04. Wrong ticket claims. After placing a sports bet at a sports wagering window, a person claiming that a wrong sports wagering ticket has been delivered to them must do so before leaving the window. No other claims may be considered. A cashier may not cancel a wager for which the cashier wrote the ticket and must instead call a supervisor to cancel the wager.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.02:05. Winning wagers and vouchers. Winnings from sports wager tickets must remain valid for the patron to redeem for one year after the conclusion of the final event in the sports wager. If the sports wagering system issues and redeems a sports wagering voucher:

The sports wagering vouchers must contain the following information:

- (1) The value of the voucher in U.S. dollars;
- (2) The name of the licensee or gaming establishment issuing the voucher;
- (3) The time of day the voucher was issued, in a 24-hour format showing hours and minutes;
- (4) The date the voucher was issued showing day, month, and year;
- (5) The expiration date of the voucher, which is 90 days from the date of issue;
- (6) A number identifying the sports wagering kiosk or cashier that generated the voucher;
- (7) A unique validation number or bar code;
- (8) A description of any restrictions on the redemption of the voucher; and
- (9) Security features that limit the ability to counterfeit.

Source: 48 SDR 14, effective August 22, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.02:05.01. Vouchers -- System recording requirements. The sports wagering system must be capable of recording, for each sports wagering voucher:

- (1) The value of the voucher;
- (2) The date, time, and location of issuance;
- (3) A unique validation number;
- (4) The expiration date of the voucher; and
- (5) The date, time, and location of redemption, if applicable.

Source: 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:35.02:06. Surrender of tickets and vouchers required. Payment of any printed winning sports wagering tickets or sports wagering vouchers may be made only upon presentation and surrender of the sports wagering ticket or sports wagering voucher. A patron may redeem a winning sports wagering ticket or sports wagering voucher by mail according to the licensee's internal controls. No claim may be allowed for any lost or destroyed winning sports wagering tickets or sports wagering vouchers unless authorized pursuant to the licensee's internal controls.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

CHAPTER 20:18:36

ADVANCE DEPOSIT WAGERING

Section

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20:18:36:03	Advance deposit wagering -- Associated agreements.
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20:18:36:34	Account holder's principal residence address.
20:18:36:35	Wager information confidential -- Disciplinary action for violations.
20:18:36:36	Securing payment methods.

20:18:36:01. Definitions. As used in this chapter:

(1) "Account" or "wagering account" means a ledger for advance deposit wagering with a specific identifiable record of deposits, wagers, and withdrawals established by an account holder and managed by an advance deposit wagering licensee. The term does not include an account used solely to track promotional points, credits, or similar benefits issued to an individual which may be redeemed for merchandise or services;

(2) "Account application" means the form or forms and other required submissions received from an applicant intending to open an account;

(3) "Account holder" an individual who successfully completes an application and for whom an advance deposit wagering licensee has opened an account;

(4) "Advance deposit wagering licensee" means a licensed operator, route operator, or sports wagering services provider who manages wagering accounts in which an eligible individual may deposit money into an account and use the balance to pay for bets as allowed and regulated by the commission;

(5) "Confidential account information" means:

(A) The amount of money credited to, debited from, withdrawn from, or present in any particular account holder's account;

(B) The amount wagered by a particular account holder on any event or game or series of events or games;

(C) The unique account ID or username and authentication credentials of a particular account holder;

(D) The identities of the particular events or games on which the account holder is wagering or has wagered; and

(E) Unless otherwise authorized by the account holder the disclosure of the name, address, and other information in the possession of an advance deposit wagering licensee that identifies the account holder to anyone other than a representative of the commission;

(6) "Credits" mean all positive inflows of money to an account;

(7) "Debits" mean all negative outflows of money from an account;

(8) "Deposit" means a payment of money by an account holder to the account holder's account;

(9) "Location detection process" means a process to reasonably detect the location of an account holder when the account holder is attempting to access the system and place an advance deposit wager;

(10) "Principal residence address" means the place where the individual submitting an application for an account resides at least 50 percent of the time during the calendar year;

(11) "Proper identification" means a form of identification accepted in the normal course of business establishing the identity of a person;

(12) "Secure personal identification code" means an alpha-numeric character code chosen by an account holder as a means of verification that a wager or account transaction is authorized by the account holder;

(13) "Suspended account" means a wagering account that has been temporarily disabled from engaging in wagering activity;

(14) "Withdrawal" means a payment of money from an account to the account holder when properly requested by the account holder.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-4(2).

20:18:36:02. Authorization to conduct advance deposit wagering. An advance deposit wagering licensee shall receive specific authorization from the commission to conduct advance deposit wagering prior to conducting advance deposit wagering. Any entity authorized to conduct advance deposit wagering shall comply with all applicable federal, state, local, and commission requirements to be eligible for authorization.

The licensee shall submit internal controls, approved by the executive secretary, that include:

- (1) Specific procedures and technology partners to fulfill the requirements set forth in this chapter;
- (2) Commercially available and demonstrable standards to confirm that an individual attempting to create a wagering account is not a prohibited person;
- (3) A process to close out inactive accounts;
- (4) A method for verifying location detection procedures to establish account holders' geographic locations;
- (5) Detailed procedures for making adjustments to a wagering account;
- (6) Providing a method for an account holder to close out an account;
- (7) Detailed description how an account holder will be refunded after the closure of an account;
- (8) Detailed procedures for maintaining the security of personal identifying information of account holders;
- (9) Method for securely issuing, modifying, and resetting an account holder's authentication credential;
- (10) Methods of account holder notification when changes are made to any account used for financial transactions or to registration information or when financial transactions are made unless other notification preferences are established by the account holder;
- (11) Methods of account holder notification including any authentication credential modification via electronic or regular mail, text message, or other manner approved by the executive secretary. Such methods must include:
 - (i) Proof of identity, if in person;
 - (ii) The correct response to two or more challenge questions;
 - (iii) Strong authentication; or
 - (iv) Multi-factor authentication; and
- (12) Processes to ensure funds in a licensee's account are held in trust for the player in a special purpose segregated account, and that make clear the funds do not belong to the licensee and are not available to creditors other than the account holder whose funds are being held.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:36:03. Advance deposit wagering -- Associated agreements. The commission's approval of any agreements between a licensed operator and a sports wagering services provider to conduct advance deposit sports wagering does not constitute the authorization to conduct advance deposit wagering. If a sports wagering services provider has an agreement with more than one licensed operator, the sports wagering services provider operating advance deposit sports wagering shall submit agreement with the licensed operator to the executive secretary that indicates the manner in which wagering accounts, activity and net receipts shall be accounted and maintained separately.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.

20:18:36:04. Location detection requirements. All wagers placed using advance deposit wagering must be initiated and received or otherwise made by an account holder located in the permitted boundary pursuant to SDCL 42-7B-79.

The advance deposit wagering licensee shall use location detection procedures to reasonably detect and dynamically monitor the location of an account holder attempting to place any advance deposit wager and to monitor and block unauthorized attempts to place a wager.

An account holder outside the permitted boundary shall be rejected, and the account holder shall be notified.

The commission shall approve technical specifications and requirements related to location detection.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-79.

20:18:36:05. Account requirements. A patron must have an established wagering account in order to place wagers using advance deposit wagering. An account shall be established only through registration procedures pursuant to SDCL 42-7B-78. Where a single account is used for sports wagering and other gaming activities, wagering on sporting events must be identified, recorded, accounted for, and reported separately and distinctly from other gaming activities.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-78.

20:18:36:06. Establishing an account. To establish a wagering account, an application for an account must be signed by the applicant.

The advance deposit wagering licensee shall:

(1) Collect the applicant's personal identifying information including:

- (A) Full legal name;
 - (B) Date of birth;
 - (C) Principal residential address;
 - (D) Social Security number, or the last four digits of the Social Security number, or an equivalent government issued identification number for a noncitizen account holder, such as a passport or taxpayer identification number; and
 - (E) Government issued identification credential or other information required by the executive secretary used to verify his or her identity and to prove the account holder is at least 21 years of age.
- (2) Deny the applicant the ability to register for an account if they submit a birth date that indicates that they are under the age of 21;
- (3) Indicate the required information on the account application and the consequences of not providing the application;
- (4) Require the applicant to agree to the licensee's terms and conditions and privacy policies;
- (5) Obtain the applicant's acknowledgment that the applicant is prohibited from allowing any unauthorized person to access their account;
- (6) Obtain the applicant's consent to the monitoring and recording of the use the applicant's account by the licensee and the commission; and
- (7) Obtain the applicant's assurance that the information on the application is accurate.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-78.

20:18:36:07. Account application verification. Each wagering account application submitted is subject to electronic verification of the information submitted pursuant to § 20:18:36:06(1), by either a national, independent, individual reference service company approved by the commission, or other technology approved by the commission that meets or exceeds the reliability, security, accuracy, privacy, and timeliness of the individual reference service companies. If there is a discrepancy between the application submitted and the information provided by the electronic verification described above, or if no information on the applicant is available from such electronic verification, another individual reference service may be accessed or other technology meeting the requirements described above may be used to verify the information provided. If these measures prove unsatisfactory, then the applicant for an account must be contacted by the advance deposit wagering licensee and given instructions on how to resolve the matter.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-78.

20:18:36:08. Account eligibility. Only an individual who is 21 years of age or older and not a prohibited person may create an account, deposit funds, or participate in advance deposit wagering. The advance deposit wagering licensee shall deny the ability to create an account, deposit funds, or participate in advance deposit wagering to any individual who is under 21 years of age or is a prohibited person. This section may not be construed to prevent an individual from creating an account and depositing funds to such an account even if they are prohibited from placing certain wagers.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-77.

20:18:36:09. Advance deposit wagering licensee may close or refuse to open accounts.

The advance deposit wagering licensee may close or refuse to open a wagering account for what the advance deposit wagering licensee considers good and sufficient reason. The advance deposit wagering licensee shall order an account closed if information used to open the account was false or misleading or if the account has been used in violation of the provisions of this chapter or any state or federal law. The advance deposit wagering licensee shall inform the commission of having refused or closed an account within seven calendar days of the action.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-77.

20:18:36:10. Terms and conditions and privacy policies for accounts. All terms and conditions and privacy policies for wagering accounts must be included in the internal controls of the advance deposit wagering licensee and be readily accessible to the account holder before and after registration and noticed when materially updated.

Terms and conditions and privacy policies for accounts must address all aspects of the advance deposit wagering operation, including:

- (1) That no underage individuals are permitted to participate in wagering;
- (2) Specifications advising account holders to keep their authentication credentials secure;
- (3) Processes for dealing with lost authentication credentials, forced password changes, and password strength;
- (4) Conditions under which an account is declared inactive and the actions undertaken on the account once this declaration is made;
- (5) Actions that will be taken on the account holder's pending wagers placed prior to any exclusion or suspension, the return of all wagers, or settling all wagers, as appropriate;
- (6) Information about timeframes and limits regarding deposits to or withdrawals from the account;
- (7) That the advance deposit wagering licensee has the right to:
 - (A) Refuse to establish an account for what it deems good and sufficient reason;
 - (B) Refuse deposits to or withdrawals from accounts for what it deems good and sufficient reason; and
 - (C) Unless there is a pending investigation or account holder dispute, suspend or close any account at any time pursuant to the terms and conditions between the licensee and the account holder;
- (8) The licensee's personal identifying information protection policy including:
 - (A) The information required to be collected;
 - (B) The purpose and legal basis for collection;
 - (C) The period in which the information is stored, or, if no period can be possibly set, the criteria used to set this;

- (D) The conditions allowing disclosure;
 - (E) That measures are in place to prevent the unauthorized or unnecessary disclosure;
- and
- (F) Any other privacy requirements specified by the commission through internal control procedures.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-77, 42-7B-78.

20:18:36:11. Account information. An advance deposit wagering licensee shall maintain an electronic account holder file that includes the following for each wagering account:

- (1) Unique account ID or username, or both;
- (2) The information indicated in § **20:18:36:06(1)** to register an account holder and create the account;
- (3) Encrypted government issued identification number, authentication credential, and personal financial information;
- (4) The date and method of identity verification, including, where applicable, the document number of the government issued identification credential examined, and its date of expiration. If a government issued identification credential is not required for registration, the electronic record that details the process used to confirm the account holder's identity must be recorded;
- (5) The date the account holder agrees to the terms and conditions and privacy policies;
- (6) Account details and current balance, including any incentive credits. All restricted wagering credits and unrestricted funds that have a possible expiration must be maintained separately;
- (7) Previous accounts, if any, and the reason for deactivation;
- (8) The date and method the account was registered;
- (9) The date and time the account is accessed by any person, including IP Address or gaming establishment location as applicable; and
- (10) The current status of the account.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:12. Authentication credentials. The applicant for a wagering account shall supply the advance deposit wagering licensee with an authentication credential to assure that only the account holder has access to the account. Allowable authentication credentials are subject to the discretion of the commission as necessary. The requirement may not prohibit the option for more than one method of authentication for an account holder to access their account. An account holder may change this authentication credential at any time.

Where an account holder has forgotten their authentication credentials, a multi-factor authentication process must be employed for the retrieval or reset of the account holder's forgotten authentication credentials.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:13. Authentication credentials -- Reset or locked accounts. If the system does not recognize the authentication credentials when entered, an explanatory message must be displayed to the account holder that prompts the account holder to try again. The error message must be the same regardless of which authentication credential is incorrect.

The system must support a mechanism that locks an account in the event that suspicious activity is detected, such as three – consecutive, failed access attempts in a 30-minute period. A multi-factor authentication process must be employed for the account to be unlocked.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:14. Account balance. Current wagering account balance information, restricted wagering credits, unrestricted funds, and transaction options must be available on demand after confirmation of account holder identity. The account balance must be presented in terms of currency to the account holder. All restricted wagering credits and unrestricted funds that have a possible expiration must be indicated separately.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:15. Accounts nontransferable. No wagering account may be transferred between individuals or other legal entities. Transfer of funds between two accounts may only occur if it is between separate wagering accounts for sports wagering and other gaming activities, and the account holder for both accounts is a single individual.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-77, 42-7B-78.

20:18:36:16. Financial transactions. An advance deposit wagering licensee shall provide a fee-free method for account holders to deposit or withdraw funds from their wagering accounts. The account holder must be provided with a confirmation or denial of every financial transaction initiated that provides:

- (1) Whether the type of transaction is a deposit or withdrawal;
- (2) The transaction value; and
- (3) For denied transactions, why the transaction did not complete as initiated.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:17. Advance deposit wagering licensee may refuse financial transactions. The advance deposit wagering licensee may refuse financial transactions on a wagering account for what the advance deposit wagering licensee considers good and sufficient reason.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:18. Account credits and deposits. After establishment, a wagering account may be funded using approved methods that produce a sufficient audit trail for verification of the source of the wagers.

The approved methods for funding accounts are:

- (1) Cash or voucher deposits;
- (2) Check, money order, or negotiable order of withdrawal;
- (3) Charges made to an account holder's credit card or debit card;
- (4) Bonus or promotional credit;
- (5) Electronic funds transfer from a monetary account controlled by an account holder;
- (6) Credit for winnings from wagers placed with funds in the account;
- (7) Adjustments made by the licensee with documented notification to the account holder;
- (8) Wire transfer; or
- (9) Any other means approved by the commission pursuant to internal control procedures.

For credit cards or debit cards and electronic fund transfers, the account holder is liable for any charges imposed by the transmitting or receiving entity, with such charges to be deducted from the account.

Any funds deposited pursuant to this section are available for wagering use in accordance with the financial institution's policy regarding funds availability.

Source: 48 SDR 14, effective August 22, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:19. Failed electronic funds transfer transactions. Where financial transactions are conducted through electronic funds transfer, the advance deposit wagering licensee shall have security measures and controls to prevent electronic funds transfer fraud. A failed electronic funds transfer attempt is not considered fraudulent if the account holder has successfully performed a transfer on a previous occasion with no outstanding chargebacks. Otherwise, the licensee must:

- (1) Temporarily block the holder's account for investigation of fraud after five consecutive failed electronic funds transfer attempts within a ten minute period. If there is no evidence of fraud, the block must be vacated; and
- (2) Suspend the account holder's account after five additional, consecutive failed transfer

attempts within a ten minute period.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:20. Withdrawals from an account. An account holder may withdraw the funds maintained in the holder's wagering account, whether the account is open or closed, except as otherwise provided in these rules, or any other applicable state or federal laws.

For withdrawals not paid directly to an account holder, payments from an account must be paid directly to an account with a financial institution in the name of the account holder, or made payable to the account holder and forwarded to the account holder's principal address using a secure delivery service or through another method that is not prohibited by state or federal law.

For purposes of this chapter, a request for withdrawal is considered honored if it is processed by the advance deposit wagering licensee notwithstanding a delay by a payment processor, credit card issuer, or the custodian of a financial account.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:21. Withdrawals from one account -- Overdraws. A system must employ a mechanism that can detect and prevent any withdrawal activity initiated by an account holder that would result in a negative account balance of the account.

An advance deposit wagering licensee may not allow an account to be overdrawn unless caused by payment processing issues outside the control of the licensee.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:22. Declining to withdraw from an account. An advance deposit wagering licensee must honor the account holder's request to withdraw funds within five business days after the request unless the advance deposit wagering licensee believes in good faith that the account holder engaged in fraudulent conduct or other conduct that would put the licensee in violation of SDCL chapter 42-7B and these rules. In such cases, the licensee shall:

- (1) Provide notice to the account holder of the nature of the investigation of the account; and
- (2) Conduct an investigation in a reasonable and expedient fashion, providing the account holder written notice of the investigation status every tenth business day from the day the original notice was provided to the account holder.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:23. Modification of account information. An advance deposit wagering licensee shall allow the account holder to update authentication credentials, registration information, and the account used for financial transactions. A multi-factor authentication process must be employed for these purposes.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:24. Balance adjustments. An advance deposit wagering licensee must have in place security or authorization procedures to ensure that only authorized adjustments can be made to wagering accounts. The licensee shall ensure each adjustment is auditable, indicating who, what, when, the value before the adjustment, and the reason for the adjustment. All adjustments to an account balance for amounts of \$500 or less must be periodically reviewed by supervisory personnel as set forth in the advance deposit wagering licensee's internal controls. All other adjustments must have a supervisor's approval before being entered.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:25. Responsible gaming limits. An advance deposit wagering licensee shall allow the account holder to set:

(1) A deposit limit offered on a daily, weekly, or monthly basis that specifies the maximum amount of money an account holder may deposit into the holder's wagering account during a particular period of time; and

(2) A wager limit offered on a daily, weekly, or monthly basis that specifies the maximum amount of wagering account funds that may be put at risk during a particular period of time.

Any decrease to these limits shall be effective immediately or at the point in time clearly indicated to the player. Any increase to these limits shall become effective only after the time period of the previous limit has expired and the player reaffirms the requested increase.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:26. Advance deposit wagering licensee may suspend or close accounts. The advance deposit wagering licensee may suspend or close any wagering account at any time if, when an account is closed, the advance deposit wagering licensee, within five business days, returns to the account holder all monies then on deposit pursuant to the advance deposit wagering licensee's internal controls.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:27. Suspension and restoration of accounts. The advance deposit wagering licensee shall employ a mechanism that places a wagering account in a suspended mode under the following conditions:

- (1) When a self-exclusion request is made by the account holder for a specified period of time not less than 72 hours, or indefinitely;
- (2) When required by the commission;
- (3) Upon a determination that an account holder is a prohibited person; or
- (4) When initiated by a licensee with evidence that illegal activity, a negative account balance, or a violation of the terms and conditions has taken place on an account holder's account.

Each licensee shall, on a monthly basis, provide the commission with a list of suspended accounts, and the reasons why the account was suspended.

Source: 48 SDR 14, effective August 22, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:27.01. Suspension of Account -- Effect. Upon suspension of an account, the advance deposit wagering licensee shall:

- (1) Prevent the account holder from wagering;
- (2) Prevent the account holder from depositing funds, unless the account is suspended due to having a negative account balance, but only to the extent the account balance is brought back to zero dollars;
- (3) Prevent the account holder from withdrawing funds from the holder's account unless the licensee acknowledges that the funds have cleared and that the reason or reasons for suspension would not prohibit a withdrawal;
- (4) Prevent the account holder from making changes to his or her account;
- (5) Prevent the removal of the account from the system; and
- (6) Prominently display to the account holder that the account is in a suspended mode, the restrictions placed on the account, and any further course of action needed to remove the suspended mode.

Source: 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:28. Restoration of accounts. A suspended account may be restored:

- (1) Upon expiration of the time period established by the account holder if solely the result of a self-exclusion request;
- (2) If authorized by the commission;
- (3) When the account holder is no longer a prohibited person; or

(4) When the licensee has lifted the suspended status.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:29. Account closure. An account holder must be provided with a conspicuous and readily accessible method to close the holder's wagering account through the account management or similar page, or through the customer support team. Any balance remaining in an account holder's account closed by a holder must be refunded pursuant to the advance deposit wagering licensee's internal controls.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:30. Inactive accounts. The advance deposit wagering licensee may close any wagering account that has no activity for at least three years.

For purposes of this section, the term "activity" means making a wager, making an account deposit, or withdrawing funds.

The licensee shall:

- (1) Allow access to a player's inactive account only after performing additional identity verifications;
- (2) Protect inactive accounts that contain funds from unauthorized access, changes, or removal; and
- (3) Deal with unclaimed funds from inactive accounts, and return any remaining funds to the player where possible.

No advance deposit wagering licensee may charge an administration fee or maintenance fee for any inactive account.

The advance deposit wagering licensee shall treat inactive accounts as unclaimed property and comply with the provision of SDCL chapter 43-41.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:31. Deceased account holder. In the event an account holder is deceased, funds accrued in the wagering account must be released to the decedent's legal representative upon receipt of a certified copy of a valid death certificate, tax releases or waivers, probate court authorizations, or other documents required by applicable laws.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:32. Account security -- Account holder responsibility. A wagering account is for the personal use of the individual account holder only. The account holder is responsible for maintaining the confidentiality of their authentication credentials. Except where the advance deposit wagering licensee or its employees or agents act without good faith or fail to exercise ordinary care, the licensee is not responsible for any loss from an account holder's account arising from the use by any other person or persons. The account holder shall immediately notify the licensee of a breach of the account's security.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-43, 42-7B-77.

20:18:36:33. Account statements. Upon the request for the account holder, the advance deposit wagering licensee shall provide to each account holder a statement of an individual's wagering account activity for the past year. Statements provided shall include sufficient information to allow account holders to reconcile the statement against their own financial records. The statement is presumed to be correct unless written notice to the contrary is received by the licensee within 30 days of the date that any statement is provided to an account holder.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:34. Account holder's principal residence address. The principal residence address provided by the account holder at the time of wagering account application is the proper address for all mailings unless the account holder has provided the advance deposit wagering licensee with a change of principal residence address. The mailing of checks or other correspondence under this section is at the sole risk of the account holder.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-77, 42-7B-78.

20:18:36:35. Wager information confidential -- Disciplinary action for violations. Any information about accounts that is not subject to disclosure pursuant to the privacy policies must be kept confidential, except where the release of that information is required by law. No employee or agent of the advance deposit wagering licensee may divulge any confidential information related to the placing of a wager or any confidential account information related to the operation of the licensee, except as provided by article 20:18, pursuant to a court order, state or federal law, or commission order. A violation of this section is grounds for disciplinary action.

Source: 48 SDR 14, effective August 22, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-77.

20:18:36:36. Securing payment methods. Procedures must be in place to ensure all financial transactions are conducted in accordance with federal regulations and the commission's rules. To protect payment methods against fraudulent uses, the advance deposit wagering licensee shall:

- (1) Ensure collection of sensitive information directly related to financial transactions must be limited to the information strictly needed for such transaction;
- (2) Take adequate measures to protect any type of payment in the system from a fraudulent use;
- (3) Verify that the payment processors ensure the protection of the **account holder's** data, including any sensitive information given by the **account holder**, or transaction related data;
- (4) Establish procedure for assuring a match of ownership between the payment type holder and the wagering account holder; and
- (5) Generate all transactional records of wagering accounts. The data recorded must allow the licensee to trace a single financial transaction of an account holder from another transaction.

All financial transactions must be reconciled with financial institutions and payment processors daily or as otherwise specified by the commission.

Additional requirements for payment processors may be specified by the commission through internal control procedures.

Source: 48 SDR 14, effective August 22, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7, 42-7B-11(13).

Law Implemented: SDCL 42-7B-2.1(1), 42-7B-43.