

Notices of Intent

NOTICE OF INTENT

Department of Agriculture and Forestry Office of Agricultural and Environmental Sciences Seed Commission

Seed Law Application Deadlines; Fees; Sweet Potato Standards; Greenhouse Requirements (LAC 7:XIII.131, 143, and 222)

In accordance with the provisions of the Administrative Procedure Act, La. R.S. 49:950 et seq., the Department of Agriculture and Forestry, Office of the Louisiana Seed Commission, proposes to amend regulations regarding virus-tested sweet potato certification standards and general seed certification requirements.

The Department of Agriculture and Forestry, Louisiana Seed Commission intends to adopt these rules and regulations for the purpose of increasing the availability of virus-tested sweet potato seed for Louisiana producers. These regulations provide a mechanism to maintain the genetic and physical quality of virus-tested sweet potato plants and seed. These rules are enabled by R.S. 3:1433.

Title 7

AGRICULTURE AND ANIMALS

Part XIII. Seeds

Chapter 1. Louisiana Seed Law

Subchapter B. General Seed Certification Requirements

§131. Application Deadlines

- A. - D. ...
- E. Watermelon, tissue culture sugarcane - May 1
- F. Sweet potatoes and sweet potato plants
 - 1. Greenhouse plantings (virus-tested) - 45 days prior to planting
 - 2. Field plantings - June 1

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AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1433.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Seed Commission, LR 8:565 (November 1982), amended LR 9:195 (April 1983), repealed and readopted by the Department of Agriculture and Forestry, Seed Commission, LR 12:825 (December 1986), amended LR 13:155 (March 1987), LR 12:232 (April 1987), LR 14:603 (September 1988), LR 23:1283 (October 1997), LR 25:

§143. Fees

- A. - D.6. ...
- E. Fees for Sweet Potatoes
 - 1. The fee for greenhouse inspections of virus-tested sweet potato plants and mini-roots shall be fifty (50) dollars per crop year.
 - 2. A fee of five cents per 1,000 plants will be collected for each 1,000 sweet potato plants inspected for certification purposes.

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AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1433.

HISTORICAL NOTE: Promulgated by the Department of Agriculture, Seed Commission, LR 8:566 (November 1982), amended LR 10:495 (July, 1984); repealed and readopted by the Department of Agriculture and Forestry, Seed Commission LR 12:825 (December 1986), amended LR 14:604 (September 1988), amended LR 16:847 (October 1990), LR 25:

Subchapter C. Certification of Specific Crops/Varieties

§222. Virus-Tested Sweet potato Certification

Standards

A. Explanation of General Standards as Applied to Sweet Potatoes

1. The general "seed" certification standards as adopted are basic and together with the following specific standards constitute the standards for certification of virus-tested sweet potatoes.

2. Definitions

Mericlones all plants clonally propagated from a single meristem tip. For example, mericlone B-63 includes all plants descended from the sixty-third meristem-tip culture derived from the variety Beauregard.

Micropropagated is the art and science of plant multiplication in vitro. The process includes many steps stock plant care, explant selection and sterilization, media manipulation to obtain proliferation, rooting, acclimation, and growing on. Sweet potato is most commonly micropropagated in tissue culture by aseptic transfer of stem segments containing 1-3 nodes to sterile tissue culture medium.

Vine Cutting sections preferably 8-12 inches in length cut from vines that can be transplanted in the greenhouse or field. All such cuttings will be made at least one inch above the surface of the soil or growing medium, slips that have been pulled are not to be used to avoid the possibility of carrying pathogens or insects that can be present on stems below the soil surface.

Virus-Tested a plant that has been previously tested for the presence of viruses on at least three separate occasions by grafting to the standard indicator plant for sweet potato viruses, the Brazilian morning glory (*Ipomoea setosa*). If the plant is found to be negative (no symptoms developed on the indicator) each time, it is considered *virus-tested* since it is not possible to absolutely prove the absence of any and all viruses.

3. The general standards are further defined as follows to apply specifically to *virus-tested* sweet potatoes. Classes and sources of certified "seed" are defined as follows.

a. *Source Seed* shall be material entering the Louisiana Agricultural Experiment Station (LAES) seed program obtained by methods acceptable to the Louisiana Department of Agriculture and Forestry (LDAF).

b. *Nuclear Stock Plants* shall be *source seed* that has been micropropagated, *virus-tested*, apparently free of other pests, and evaluated in field test for trueness to variety. This material shall be maintained under strict isolation in laboratory facilities maintained by LAES and/or any contracted micropropagation provider and approved by

LDAF. The facilities shall be in a clean, dust-free building and be separated from any greenhouse or sweet potato storage operations. This building shall be at least 250 feet from any sweet potato field or greenhouse.

c. *Foundation Plants* shall be greenhouse plants, produced by the LAES from *nuclear stock plants* that are *virus-tested* and recognized by LDAF. These plants must be grown under strict isolation in screen cages in which only plants that are *virus-tested* are grown.

d. *Certified G0* shall be greenhouse plants produced by certified greenhouse growers from Foundation Plants. *Certified G0* Plants will be propagated as follows.

i. *Mother Plants* are the plants obtained from LAES. *Mother plants* will be kept isolated in screen cages. *Mother plants* may be cut repeatedly for up to no more than 5 months to produce *daughter plants*.

ii. *Daughter Plants* are plants produced by cuttings from *mother plants*. *Daughter plants* may be cut repeatedly for up to no more than 5 months to produce additional *daughter plants*.

(a). All plants produced from these propagations will be designated as *certified G0* and may be used to establish *certified G1* field plantings.

iii. *Mini-Roots* storage roots produced on plants grown in *certified G0* greenhouses may be used to establish *certified G2* field plantings.

(a). All plants, vine cuttings and roots produced from these mini-roots shall be designated as *certified G2*.

e. *Certified G1* (Field Generation 1) *certified G1* plantings will be established from *certified G0* plants. Vine cuttings may be taken repeatedly from this original G1 planting, to establish a second G1 planting. Vine cuttings may be taken repeatedly from the second G1 planting to establish a third G1 planting. No additional plantings may be established from this third G1 planting.

(a). All vine cuttings and roots produced during this first year of field production shall be designated as *certified G1*.

f. *Certified G2* (Field Generation 2) *certified G2* plantings will be established from *certified G1* stocks. Vine cuttings may be taken repeatedly from this original G2 planting, to establish a second G2 planting. Vine cuttings may be taken repeatedly from the second G2 planting, to establish a third G2 planting. No additional plantings may be established from this third G2 planting.

(a). All vine cuttings and roots produced during this second year of field production shall be designated as *certified G2*.

g. *Certified G3* (Field Generation 3) *certified G3* plantings will be established from *certified G2* stocks. Vine cuttings may be taken repeatedly from this original G3 planting, to establish a second G3 planting. Vine cuttings may be taken repeatedly from the second G3 planting to establish a third G3 planting. No additional plantings may be established from this third G3 planting.

(a). All vine cuttings and roots produced during this third year of field production shall be designated as *certified G3*.

B. Greenhouse Requirements

1. Production

a. *Mother plants* will be kept isolated in screen cages.

b. For Greenhouse production it is required that:

- i. entry shall be through double doors;
- ii. a system for sanitizing hands and feet shall be in place;

- iii. doors shall be kept locked;
- iv. yellow sticky traps shall be used to monitor aphids and other insects;

- v. screens of such mesh as to prevent entry of aphids shall be placed over all openings (vents, fans, windows, etc.);

- vi. greenhouses shall be clearly marked to warn workers that they shall not enter, if they are coming from the field or from other noncertified greenhouses;

- vii. aphids, whiteflies or other insects with sucking, mouthparts shall be controlled;

- viii. decontaminate cutting tools on a regular basis and always when moving to another group of stock plants or plant lots;

- ix. all growing medium (e.g. soil), containers, etc. used in the greenhouse must be sanitized by a method approved by LDAF;

- x. all plants shall be removed from the greenhouse and the greenhouse kept free of plants for a minimum of 6 weeks between crop years.

c. Isolation

- i. There shall be no plants growing within 10 feet of the greenhouse (grass for stabilization will be permitted, but weeds must be controlled).

- ii. No other plants are allowed in the greenhouse.

- iii. Greenhouses should be as far away as possible from sweet potato storage sheds, cull piles or other potential sources of sweet potato viruses.

- d. Different varieties or mericlones must be clearly identified and separated.

- e. LDAF must approve greenhouses before *mother plants* will be released to the grower.

2. Inspections

a. Grower

- i. Producer will inspect vines twice weekly. If symptomatic plants are found, they will be removed and destroyed and parent plants will be inspected for disease symptoms. The grower will keep a log showing that inspections were made and if plants were removed.

- ii. There will be a weekly inspection in and around the greenhouse perimeters to ensure isolation standards are being met.

- iii. If problems are observed during weekly inspections the producer should notify LDAF.

b. LDAF

- i. LDAF will inspect certified greenhouses several times during the year as needed. If symptomatic plants are found during these inspections they must be rogued and disposed of properly.

- ii. Once shipping of plants begins, final certification will not be allowed if symptomatic plants are found.

3. Inspection Standards

a. General Requirements

- i. Unit of Certification shall be the entire greenhouse and such unit cannot be divided for the purpose for certification.

ii. Isolation requirements are described in ' 222.B.1.c.

iii. Increase requirements are described in ' 222.A.3.

b. Specific Greenhouse Requirements

Presence or Symptoms of	Maximum Tolerance Allowed	
	Foundation (LAES)	Certified GO
Bacterial Stem Rot (<i>Erwinia chrysanthemi</i>)*	0	0
Black Rot (<i>Ceratocystis fimbriata</i>)*	0	0
Scurf (<i>Monilochaetes infuscans</i>)*	0	0
Root-Knot Nematode (<i>Meloidogyne</i> spp.)	0	0
Feathery Mottle (sweet potato feathery mottle virus [SPFMV])*	0	0
Russet Crack (a strain of SPFMV)*	0	0
Internal Cork (a virus)*	0	0
Wilt (<i>Fusarium oxysporum</i> f. sp. <i>batatas</i>)*	0	0
Sweet potato Weevil (<i>Cylas formicarius</i> var. <i>elegantulus</i>)	0	0
Variety mixture	0	0
Off-types (mutations)	0	0

*Plants or mini-roots exhibiting symptoms

C. Field Requirements

1. Production

a. All sweet potatoes produced in a field for certification must be grown from virus-tested stock.

b. Virus-tested C1 sweet potato "seed" will not be eligible for certification if produced on land which:

- i. has produced sweet potatoes in the last 2 years;
- ii. has received manure or sweet potato residue in the last 2 years;
- iii. is subject to drainage from fields in which sweet potatoes have been grown in the last 2 years.

c. Isolation

i. Virus-tested sweet potato "seed" production fields shall be 750 feet from other sweet potatoes.

ii. An approved program shall be in place to control perennial plants of morning glories (e.g. *Ipomoea pandurata*, Bigroot Morning Glory, *Ipomoea cordatotriloba* sharp-pod or cotton Morning Glory), and volunteer sweet potato plants.

d. Different varieties or mericlones will be clearly identified and separated from each other by 20 feet.

e. Each unit of sweet potatoes that passed field inspection shall be marked or labeled at harvest to correspond with the field unit.

2. Inspections

a. The grower should inspect fields regularly during the growing season and remove any symptomatic plants that

are found. LDAF should be informed if any problems are found.

b. At least two inspections by LDAF will be made during the growing season; others will be made if necessary.

i. At least one seed bed inspection will be made when applicable.

ii. First field inspection shall be made before vines have covered the ground so that symptomatic plants may be easily identified. Roguing will consist of pulling up the symptomatic plants, bagging them, and removing them from the field.

iii. Final inspection shall be made near to harvest.

3. Inspection Standards

a. General requirements

i. Unit of certification for production is a field and such unit cannot be divided for the purpose for certification.

ii. Isolation requirements are described in ' 222.C.1.c.

iii. If the "seed" of two virus-tested varieties are grown in the same field, they must be clearly identified and separated by at least 20 feet.

iv. Land requirement for certified C1 fields is subject to ' 222.C.1.b. Land requirement for certified C2 and C3 fields is 2 years.

b. Specific Field Requirements (Vine Inspection)

Presence or symptoms of:	Maximum Tolerance Allowed		
	Certified G1	Certified G2	Certified G3
Bacterial Stem Rot (<i>Erwinia chrysanthemi</i>)	none	none	none
Wilt (<i>Fusarium oxysporum</i> f. sp. <i>batatas</i>)	none	none	none
Exotic or Hazardous Pests	none	none	none
Variety Mixture	none	none	none
Off-types (mutations) 0.05%	0.05%	0.10%	

D. Storage Requirements

1. Before sweet potatoes grown for certification can be stored, the storage house must be cleaned and disinfected in a manner approved by LDAF.

2. Sweet potatoes grown for certification shall be stored in new containers (crates, pallet boxes, etc.) or used containers that have been disinfected and decontaminated in a manner approved by LDAF.

3. Certified seed roots shall be stored in a separate room from any noncertified roots.

4. Sweet potatoes from different field units shall be separated in storage by an aisle at least two feet wide.

5. A minimum of 20 percent of each lot of sweet potatoes entered for certification shall be inspected by LDAF during the storage inspection.

E. Standards for Plant and Root "Seed"

1. Plants:

- a. apparently free of injurious disease, insects, or other pests;
- b. true to variety characteristics;
- c. of good color, fresh, firm, and strong;

- d. of satisfactory size for commercial planting (cuttings approximately 8" - 12" long);
- e. cuttings will be loosely packed and shipped in an upright position in boxes;
- f. cuttings will not be shipped with other non-program plants.

2. Seed Roots

- a. One storage inspection shall be made after harvest.
- b. Sweet potatoes for certification must be well shaped. The minimum size shall be one inch in diameter and four inches in length, 30 ounces maximum weight.
- c. Specific Seed Root Standards

Maximum Tolerance Allowed

Presence or Symptoms of:	Certified G1	Certified G2	Certified G3
Surface Rots (<i>Fusarium</i> spp.) & Soft Rots (<i>Rhizopus</i> spp.)	5%	5%	5%
Bacterial Root Rot (<i>Erwinia</i> spp.)	none	none	none
Black Rot (<i>Ceratocystis fimbriata</i>)	none	none	none
Scurf (<i>Monilochaetes infuscans</i>)	1.0%	1.0%	2.0%
Steptomycetes soil rot (<i>Streptomycetes ipomoeae</i>)	2.5%	2.5%	5.0%
Root-Knot Nematode (<i>Meloidgyne</i> spp.)	5.0%	5.0%	5.0%
Russet Crack (a stain of SPFMV)	none	none	none
Internal Cork (a virus)	none	none	none
Wilt (<i>Fusarium oxysporum</i> f. sp. <i>batatas</i>)	none	none	none

F. Certificate Reporting System

- 1. The grower will be furnished numbered certificates of certification by the Louisiana Department of Agriculture and Forestry and shall:
 - a. issue a copy of the certificate to the purchaser for each shipment;
 - b. send a copy of each issued certificate to the Louisiana Department of Agriculture and Forestry within 10 days after each sale; and
 - c. maintain a copy of each issued certificate on file.

G. Sweet Potato Weevil Quarantine Area

- 1. Sweet potato plants grown in a sweet potato-weevil quarantine area will be approved for seed or plant sources for use only within the quarantined area if:
 - a. all requirements for certification are met; and
 - b. there are no sweet potato weevils within a two-mile radius of the field or storage house.

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:1433.

HISTORICAL NOTE: Promulgated by the Department of Agriculture and Forestry, Seed Commission, LR 25:

All interested persons may submit written comments on the proposed rules through June 23, 1999, to Eric Gates, Department of Agriculture and Forestry, 5825 Florida Blvd.,

Baton Rouge, Louisiana 70806. All interested persons will be afforded an opportunity to submit data, views or arguments in writing at the address above. No preamble concerning the proposed rules is available.

Bob Odom
Commissioner

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES
RULE TITLE: Application Deadlines; Fees; Sweet Potato Standards; Green House Requirements

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There will be no costs or savings to state or local governmental units. The Louisiana Seed Commission intends to adopt these rules and regulations for the purpose of increasing the availability of virus-tested sweet potato seed for Louisiana producers. These regulations provide a mechanism to maintain the genetic and physical quality or virus-tested sweet potato plants and seed.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The Department should collect approximately \$570 per year from a \$50 greenhouse inspection fee and a \$.90/acre field inspection fee imposed on approximately 6 Louisiana Certified Sweet Potato seed producers.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The estimated cost to certified sweet potato seed producers will be approximately \$570. There will be an economic benefit derived from growers producing seed certified under this program, because they will have increased yields and be able to obtain maximum market price for their product. There is no estimate at this time of the economic benefit to these sweet potato seed producers. Currently, a high demand and low supply of seed certified under this program exists.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed rule change is expected to affect Certified Sweet Potato seed producers in Louisiana by making them more competitive with those in other states who already have a similar program in place. This program is expected to enable the certified sweet potato seed producers to obtain the highest market price for their sweet potato seed.

Skip Rhorer
Assistant Commissioner
9905#027

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Agriculture and Forestry
Office of Fisheries**

Tilapia (LAC 76:VII. 903)

The Secretary of the Department of Wildlife and Fisheries does hereby give notice of its intent to amend the rule governing importation, culture, possession, disposal and sale of tilapia in Louisiana.

**Title 76
WILDLIFE AND FISHERIES**

Part VII. Fish and Other Aquatic Life

Chapter 9. Aquaculture/ Exotic Species

§903. Tilapia

A. Rules and Regulations on Importation, Culture, Possession, Disposal and Sale of Tilapia in Louisiana. The following terms shall have the following meanings in this Section.

Culture all activities associated with the propagation and nurturing of tilapia.

Culture Permittee the individual or organization that possesses a valid Louisiana tilapia culture permit.

Culture System shall be an approved indoor system designed such that all water containing, or that at any time might contain, tilapia (adult fish, juvenile fish, fry, or fish eggs) is filtered, screened and/or sterilized in such a manner as the department deems adequate to prevent any possibility of escape from the system.

Department the Louisiana Department of Wildlife and Fisheries or an authorized employee of the Department.

Disposal the business of processing, selling, or purposely removing tilapia from the culture system.

Live Holding Permittee the individual or organization that possesses a valid Louisiana tilapia live holding permit.

Live Holding System an approved indoor holding or display system designed such that all water containing, or at any time might contain, tilapia (adult fish, juvenile fish, fry or fish eggs) is filtered, screened and/or sterilized prior to release in such manner as the department deems adequate to prevent any possibility of escape.

Process the act of chill killing whole tilapia in an ice slurry for a period of not less than 60 minutes, or removal of tilapia intestines followed by immersion in an ice slurry for a period of not less than two minutes or removal and proper disposal of tilapia heads in such manner as the department deems necessary to prevent any possibility of accidental release of fry or fertilized eggs.

Secretary the Secretary of the Department of Wildlife and Fisheries.

Tilapia eggs, fish, or body parts belonging to the genera *Tilapia*, *Sarotherdon*, or *Oreochromis* and their hybrids.

Tilapia Culture Permit official document pertaining to culture that identifies the terms of, and allows for the importation, exportation, transport, culture, possession, disposal, transfer and sale of tilapia in Louisiana as approved by the secretary or his designee.

Tilapia Live Holding Permit official document pertaining to live holding for retail sale that identifies the terms of, and allows for the possession and sale of tilapia in Louisiana as approved by the secretary or his designee.

B. Tilapia Permit Request Procedures

1. Individuals or organizations wishing to import, export, transport, culture, possess, dispose, transfer or sell live tilapia in Louisiana must first request a tilapia culture or live holding permit from the secretary or his designee of the Department of Wildlife and Fisheries. The following procedures will be necessary.

a. Applications for permits can be obtained by contacting the Administrator, Inland Fisheries Division,

Department of Wildlife and Fisheries, P. O. Box 98000, Baton Rouge, LA 70898-9000.

b. The completed applications should be returned to the same address whereby Inland Fisheries Division personnel will review the application. Department personnel or a department approved contractor, at the applicant's expense, will then make an on-site inspection of the property and culture or live holding system.

c. After the on-site inspection has been completed, department personnel will make a final determination as to whether the applicant is in full compliance with all rules for a tilapia culture or live holding permit. Department personnel will then recommend to the secretary or his designee if the applicant's request should be approved or disapproved.

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C. Rules on Transport of Live Tilapia

1. The department shall be notified in writing at least 24 hours prior to shipments of live tilapia from one Louisiana culture permit holder to another Louisiana culture permit holder or live holders within the state or shipments out-of-state on a form provided by the department. Notification shall include Louisiana tilapia culture permit number, route, date and time(s) of transport, destination, owner of transport vehicle, total number of each species, permit number of resident tilapia culturer or live holder, and a copy or reference to electrophoretic certification of shipped stock by species. Anyone possessing live tilapia within the State must have a tilapia culture or live holding permit. Live tilapia showing signs of diseases shall not be transported into or within the State of Louisiana.

2. For each occurrence of tilapia being imported into Louisiana from out of state to a permitted resident culturer or live holder, the permittee must obtain, in writing, approval from the department. Procedures and necessary information for obtaining approval are:

a. requests shall be made to: Administrator, Inland Fisheries Division, Louisiana Department of Wildlife and Fisheries, P. O. Box 98000, Baton Rouge, Louisiana 70898-9000;

b. requests shall include:

- i. Louisiana tilapia permit number, or a copy of the permit;
- ii. route of transport;
- iii. date of transport;
- iv. time(s) of transport;
- v. destination;
- vi. owner of transport vehicle;
- vii. electrophoretic certification made within the past thirty days identifying shipped stock(s) to species.
- viii. total number of each species;
- ix. identification of seller and buyer.

3. A bill of lading must accompany the live tilapia during import, export, transport, transfer or sale and shall include:

- a. copy of the permittee's written approval as described in LAC 76:VII.903.C.2. above.
- b. date and approximate time of shipment;
- c. route of shipment;
- d. source of tilapia (culture facility);
- e. name, address and phone number of seller;

- f. name, address and phone number of buyer;
- g. identification and certification as to species;
- h. total number of each species;
- i. destination;
- j. letter from source stating that tilapia are not showing signs of diseases;
- k. display the word "TILAPIA" prominently on at least two sides of the vehicle or hauling tank with letters that are no less than six inches high.

D. Rules for Security of Tilapia Culture or Live Holding Facility

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4. It shall be the responsibility of the permittee to immediately notify the secretary or his designee of any tilapia that leave the facility for any reason other than those specifically identified and allowed for under their current permit, including but not limited to accidental releases, theft, etc.

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E. Rules of Tilapia Culture and Live Holding Site

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2. The applicant must agree to allow department officials or a department approved contractor, at the applicant's expense, to conduct unannounced random inspections of the transport vehicle, property, culture system or live holding system, and fish. Department officials may request other officials to accompany them during these inspections. Additionally, those individuals performing these inspections may remove or take fish samples for analysis and/or inspection.

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4. The department will require a live holding contingency plan for disposal of live tilapia in the event of impending flooding or other natural disasters.

F. Rules for the Tilapia Culture and Live Holding System

1. Applicant must provide a detailed narrative description, including scale drawings, of the tilapia culture or live holding system.

2. The tilapia culture or live holding system shall be an approved indoor system designed such that tilapia eggs, larvae, juveniles or adults cannot escape.

3. All water utilized in the culture or live holding of tilapia shall be accounted for and shall be filtered, screened, and/or sterilized prior to leaving the culture or live holding system and the permittee's property in such a manner as the department deems adequate to prevent any possibility of escape from the system.

4. All aspects of the tilapia culture or live holding system and processing shall be completely enclosed so that predation from birds, mammals, amphibians, and reptiles is precluded.

5. A means to dispose of tilapia through chlorination, desiccation, or other appropriate methods, in the event of an emergency must be included as a component of any department-approved live-holding system.

6. One or more persons responsible for the operation of the live holding system must demonstrate to the department's satisfaction a basic knowledge and understanding of the culture, biology, and potential local ecological impacts of tilapia.

G. Rules for the Processing of Tilapia

1. All tilapia and tilapia parts other than live tilapia specifically permitted by the department must be properly processed and killed prior to leaving the tilapia culture or live holding facility.

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3. Records shall be kept of all tilapia processed at a culture or live holding facility and shall include the following information:

- a. source of fish;
- b. processed pounds;
- c. date processed.

4. A copy of this information shall be sent to the Department's Baton Rouge office at the end of each year, or at anytime upon the request of Department officials.

H. General Rules for Tilapia

1. The cost of a Tilapia Culture or Live Holding Permit shall be \$50, plus the actual cost of the on-site inspection. Qualified universities conducting research approved by the department shall be exempt from the fee charge.

2. In order for the permit to be valid, the following license is required as a prerequisite:

- a. a Fish Farming License for tilapia culturers;
- b. a Retail Dealers License for live holders.

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5. Live tilapia, may be sold within the state only to a holder of a valid tilapia culture or live holding permit. A tilapia culture permit shall be required for the possession or transport of tilapia eggs, fry or juveniles.

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9. Tilapia culturers shall be required to submit an annual report to the secretary or his designee on a form provided by the department.

* * *

11. The department shall be overseer of all escape incidents and may implement or require to be implemented whatever measures deemed necessary to contain, kill or recapture fish. The permittee shall agree to reimburse Wildlife and Fisheries for all department costs including, but not limited to, man hours and materials utilized during these corrective actions. In order to assure the secretary that the permittee will fulfill their financial obligations, the tilapia culturer shall, at the option of the department, post a \$25,000 performance bond, or present a letter of credit from a financial institution stating that the \$25,000 is available to the department on a certificate of deposit. Tilapia live holder permittees will be required to post a \$10,000 performance bond, or present a letter of credit from a financial institution stating that the \$10,000 is available to the department on a certificate of deposit.

12. If a permittee terminates tilapia production or live holding, the permittee shall notify the secretary or his designee immediately and dispose of the tilapia according to methods approved by the department.

13. In addition to all other legal remedies, including provisions of R.S. 56:319.E, failure to comply with any of the provisions herein shall be just cause to immediately suspend and/or revoke the permittee's permit. All tilapia shall be destroyed at permittee's expense under the department's supervision within 30 days of permit revocation.

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AUTHORITY NOTE: Promulgated in accordance with R.S. 56:318 and R.S. 56:319.

HISTORICAL NOTE: Promulgated by the Department of Wildlife and Fisheries, Office of Fisheries, LR 17:804 (August 1991), amended LR 20:1022 (September 1994), LR 21:594 (June 1995), LR 25:000 (May 1999).

Interested persons may submit written comments on the proposed rule to Mr. Bennie Fontenot, Jr., Administrator, Inland Fisheries Division, Department of Wildlife and Fisheries, Box 98000, Baton Rouge, LA 70898-9000, no later than 4:30 P.M., Tuesday, July 6, 1999.

James H. Jenkins, Jr.
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR
ADMINISTRATIVE RULES**

RULE TITLE: Tilapia

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

There are no anticipated implementation costs or savings to state or local governmental units.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE
OR LOCAL GOVERNMENTAL UNITS (Summary)**

Sale of tilapia from live holding facilities may increase revenue collections of state or local governmental units through increased sales and subsequent tax revenues, but the increase, although inestimable, is anticipated to be minimal at best.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO
DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL
GROUPS (Summary)**

Persons who sell tilapia as live holders are subject to a permit fee and a performance bond. Live holders will be subject to providing records of sales, similar to that now maintained by tilapia culturers. Benefits to sellers would accrue from an anticipated increase of seafood sales. Seafood buyers would benefit from having an additional, fresh seafood item available to them.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT
(Summary)**

Effects on competition and employment can not be anticipated at this time. Employment is not expected to increase as a result of the proposed rule, since existing sales personnel will probably be utilized in the live holding and sale of tilapia.

James L. Patton
Undersecretary
9905#039

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Agriculture and Forestry
Structural Pest Control Commission**

**Minimum Specifications for Termite Control Work
(LAC 7:XXV.141)**

In accordance with provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Agriculture and Forestry, Structural Pest Control Commission, proposes to amend regulations regarding pre-treatments of slabs for termites.

The Department of Agriculture and Forestry deems the implementation of these rules and regulations necessary to increase the distance that wood parts must be above ground level, provide that a waiver of minimum specifications for termite control work be secured by the customer, and that pest control operators must monitor for termites prior to making bait toxicant applications around residential, day care, and nursing home properties, thus providing a safety factor to those individuals at these properties. These rules comply with and are enabled by LSA-R.S. 3:3203.

**§141. Minimum Specifications for Termite Control
Work**

A. - C.2.c. ...

3. Elimination of Direct Contact of Wood with Ground

a. Piers and stiff legs must have concrete or metal-capped bases extending at least three inches above the ground. Creosote or penta pressure-treated piling foundations are exempt from this requirement but should be drilled and pressure treated to the center of the piling.

b. Wood parts which extend through concrete or masonry (such as posts, door frames or stair carriages) must be cut off and set on metal or concrete bases at least three inches above ground level.

c. - 8.b. ...

9. Dirt Filled Porches

a. Where the sill or other wood extends to, or below, the under side of the concrete slab, the dirt must be excavated so as to leave a horizontal tunnel at the junction of slab and foundation wall. The tunnel shall extend the full length of the fill and be at least 12 inches deep (or down to grade) and 12 inches wide. Soil in the tunnel shall be treated with chemical at all points of contact with wall and slab. Supports for the slab shall be erected in the tunnel if necessary. Tunnel shall be well ventilated, but care shall be taken to assure that water does not run into those tunnels. (See Figure 1 [in appendix])

Exception: If, due to construction, it is impractical to break into and excavate dirt-filled areas, a method of drilling, rodding and flooding as outlined in §141.C.9.b.ii below, may be employed.

b. - H.2. ...

I. Waiver of Requirements of Minimum Specifications for Termite Control Work. Whenever it is impossible or impractical to treat any structure in accordance with these minimum specifications, the pest control operator may request a waiver of these requirements. A waiver must be secured from the customer prior to any treatment in any instance where all requirements of these minimum specifications cannot be complied with.

1. - 8.c. ...

d. monitoring shall be used to detect the presence of subterranean termites in the soil. All delivery systems shall be inspected at regular intervals, not less than once monthly and data shall be recorded;

e. baits and baiting systems may be used as a stand-alone termite treatment only with written approval by LDAF;

f. baits and baiting systems may be used as a supplement to traditional ground termiticide treatments.

g. monitoring stations shall be placed, where soil is available, a minimum of twenty (20) feet apart around the perimeter of the structure.

h. toxicant delivery following label and labeling shall be placed in or in close proximity to each monitoring station that is infested with live termites.

Interested persons should submit written comments on the proposed rules to Bobby Simoneaux by the close of business at 4:30 p.m. on June 29, 1999 at 5825 Florida Blvd., Baton Rouge, LA 70806. A public hearing will be held on these rules on June 29, 1999 at 9:30 a.m. at the address listed above. All interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing, at the hearing. No preamble regarding these rules is available.

Bob Odom
Commissioner

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR
ADMINISTRATIVE RULES
RULE TITLE: Minimum Specifications for
Termite Control Work**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

There will be no implementation costs or savings to state or local governmental units. This rule, which pertains to minimum specifications for termite control work, increases the distance that wood parts must be above ground level from one (1) to three (3) inches, provides that a waiver of minimum specifications for termite control work be secured by the customer rather than the department and that pest control operators must monitor for termites prior to applying bait toxicants around residential, day care, and nursing home properties, thus providing a safety factor to those individuals at these properties.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE
OR LOCAL GOVERNMENTAL UNITS (Summary)**

There will be no effect on revenue collections of state or local governmental units.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO
DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL
GROUPS (Summary)**

There will be some additional cost to Pest Control Operators. There are (3) termite baits labeled in this state. Under current rules, monitoring for termite infestation around the perimeter of structures is required prior to placing two types of these bait toxicants into the ground. This rule will impose these monitoring requirements on the third type of bait toxicant. There will no additional costs for the other portions of the proposed regulations.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT
(Summary)**

There will be no effect on employment. However, this evens the competition because now all termite baits must be monitored prior to application of toxicant. Under current rules, monitoring for termite infestation around the perimeter of structures is required prior to placing two types of these bait toxicants into the ground. This rule will impose these monitoring requirements on the third type of bait toxicant.

Skip Rhorer
Assistant Commissioner
9905#028

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Civil Service
Civil Service Commission**

Pay and Hiring Rate

The State Civil Service Commission will hold a public hearing on June 9, 1999 to consider the following rule proposals. The hearing will begin at 9:00 a.m. and will be held in the Department of Civil Service Second Floor Hearing Room, DOTD Annex Building, 1201 Capitol Access Road, Baton Rouge, Louisiana.

The following will be considered at the meeting:

Amend Rule 6.4

6.4 Rates of Pay in the Pay Plan Plus Base Supplement

(a) ...

(b) Subject to the provisions of Rules 6.11, 6.15, 6.16, 17.11(e) and 17.19(a) each employee shall be paid at a rate within the range for the grade to which his position is allocated, or at a rate within the base supplement approved for his position in accordance with the provisions of Rule 6.16(f).

Explanation: Reference to Rule 6.10(c) is removed from and reference to 17.19(a) is added to this rule.

Amend Rule 6.5(g) and Adopt Rule 6.5(h)

6.5 Hiring Rate

Pay upon employment shall be at the minimum of the range established for the grade of the job to which the position is allocated except:

a) - f) ...

g) Subject to provisions of Rule 6.29, if an applicant who is eligible for appointment under provisions of Chapters 7 and 8 of the Rules possesses extraordinary or superior qualifications/credentials above and beyond the minimum qualifications/credentials, the appointing authority may, at his own discretion, pay the employee upon hiring at a rate above the minimum provided that

1) such superior qualifications/credentials are verified and documented as job related,

2) the rate does not exceed the midpoint of the range for the affected job,

3) the rate is implemented in accordance with written policies and procedures established by the department; such policies shall be posted in a manner which assures their availability to all employees.

The salaries of all current probational and permanent employees who occupy positions in affected jobs and possess the same or equivalent qualifications/credentials may be adjusted up to but not to exceed the amount of the percent difference between the special hiring rate and the regular hiring rate provided that the qualifications/credentials are also verified and documented as job related and that the rate is implemented in accordance with written policies and procedures established by the department; such policies shall be posted in a manner which assures their availability to all employees.

h) Reentering the Classified Service Without a Break In Service

When an Appointing Authority requires an employee to resign a permanent position in order to accept a probational appointment, and the employee accepts such an appointment without a break in service, and the appointment would have been considered a promotion according to Rule 6.7 the employee shall retain eligibility for the promotional increase for a period not to exceed 1 year. The Appointing Authority may grant any increase for which the employee would have been eligible under Rule 6.7. This Rule shall not apply to an employee who was dismissed or resigned to avoid dismissal.

Explanation: The change in (g)3 will allow for corresponding increases to be given to those employees currently on-board when a new applicant with superior qualifications is hired above the minimum. This change will mitigate salary compression caused by implementation of this rule in its current form. The addition of (h) will allow those employees who are currently forced to resign a permanent position in order to accept a promotion on a probationary basis but are denied the normal promotional increase to receive the promotional increase. This rule would allow appointing authorities to give the employee the promotional increase either at the time of hire or at a later date after the probation has been served.

Amend Rule 6.6

6.6 Market Grade Adjustment

Explanation: This is simply a change in the title of the rule from "Market Rate Job Assignment" to "Market Grade Adjustment." There is no change to the rule itself. Since its inception, actions taken under this rule have always been referred to as Market Grade Adjustments, not market rate job assignments. The definition associated with this rule also refers to a market grade job (1.20.001).

Amend Rule 6.10(d) and Adopt Rule 6.10(e)

6.10 Rate of Pay Upon Demotion

(a) - (c) ...

(d) An appointing authority may grant exceptions to this rule for voluntary demotions. Exceptions shall not be granted by the Appointing Authority in an arbitrary manner as a means to increase an employee's rate of pay.

(e) If an employee is allowed to take a voluntary demotion without at least a 7% cut in pay and if the employee accepts a promotion, reallocation, or detail to special duty within six months of the demotion, the employee will not be eligible for any pay increase usually associated with the movement.

Explanation: This change would allow appointing authorities to approve routine exceptions to this rule that currently must be approved by the Commission. This change is part of our new initiative to empower appointing authorities to react to changing employment conditions as necessary. Part (e) will curtail instances of employee's demoting with no loss in pay, then immediately promoting and receiving an increase.

Adopt Rule 6.16.2

6.16.2 Optional Pay Adjustments

Subject to the provisions of Rule 6.29, an appointing authority may, at his own discretion, grant individual pay adjustments to permanent employees to provide for the retention of an employee whose loss would be detrimental to the State service or to adjust pay differentials between comparable employees or to compensate employees for

performing additional duties or to recruit employees into positions for which recruiting is difficult. Such increases shall not exceed 7% in a July 1 to June 30 period for an individual employee and shall not duplicate payment received pursuant to other pay rules. Such increases may be made as either a lump sum payment or a permanent addition to the employee's base salary. Such optional pay adjustments shall be implemented in accordance with written policies and procedures established by each department. Such policies must receive advance approval from the Civil Service Commission and shall be posted in a manner that assures their availability to all employees. Such policies shall also include a public posting of all recipients.

Explanation: This rule will allow appointing authorities the flexibility to adapt to changing employment conditions once a policy has been approved. Agencies have presented problems for which they desire an immediate response in order to properly compensate their employees. Examples of these types of situations would be as follows:

1. Granting an increase to long term employees whose salaries are compressed due to the mechanics of the pay plan.

2. Providing for the retention of a valued employed who is seeking employment elsewhere due to higher market salaries.

3. Providing a lump sum increase to an employee who performs duties outside of his job description for a short period of time provided that the duty change would not be properly compensated by a detail to special duty.

4. To entice employees into difficult to recruit for jobs.

Amend Rule 6.16(a), (b) and (c) and adopt Rule 6.16(g) 6.16 Special Pay Provision

Under conditions described below, the Commission may authorize special pay considerations, beyond those already prescribed in these rules.

(a) Premium Pay

In order to remain competitive with the pay practices of market competitors, the Commission may authorize special pay for positions in a job where employment conditions are unusual. Additional pay may be authorized for an employee who performs extraordinary duty that is not an integral part of his regularly assigned duties. Such additional pay shall not be considered as part of the employee's base pay.

(b) Repeal

(c) Individual Pay Adjustment

When an appointing authority requests and can present adequate justification with documentation before the Commission in public hearing, the Commission may grant special adjustments in pay for individual employees. Such adjustments shall be granted only within the pay range for the grade to which the employee's position is allocated, or at a rate within the base supplement approved for his position in accordance with the provisions of Rule 6.16(f).

(d) - (f) ...

(g) Pay for Employees at Range Maximum

Subject to the provisions of Rule 6.29, in order to reward those employees who have achieved at least 12 years of continuous State service and have reached the maximum of their pay range or the maximum plus maximum base supplement, have continued to exhibit satisfactory

performance for a period of at least three years after reaching the maximum or maximum plus maximum base supplement, and who have been at the same maximum or maximum plus maximum base supplement pay rate for a period of three years, an appointing authority may, at his own discretion, grant a lump sum payment of up to 4% of the employee's base salary. Employees may not receive such an increase more frequently than every three years. Employees who are red circled shall not be eligible for a lump sum payment. Eligibilities gained but not received at the time of initial eligibility may be given prospectively at any time within three years of the initial eligibility.

Explanation: At the current time, no distinction is made between Premium Pay (6.16 (a) currently) and Extraordinary Duty (6.16 (b) currently) when granting special pay. This change will simplify the rule. The rule also now clearly states that Special Pay is not part of base pay. The change to part (c) of this rule clearly states that special pay adjustments shall be made within the range only. The establishment of part (g) will allow for the recognition of those employees who have exhibited a commitment to State service and who have been at range maximum for a period of at least three years to be rewarded for continued satisfactory job performance.

Amend Rule 6.28

6.28 Compensation for On-Call Duty/Shift Work

Subject to the provisions of Rule 6.29, a) and b) ...

Explanation: The beginning phrase ~~Subject~~ to the provisions of Rule 6.29, is proposed because this is currently the only rule which allows for agency flexibility that does not provide for sanctions for misuse under Rule 6.29.

Persons interested in making comments relative to these proposals may do so at the public hearing or by writing to the Director of State Civil Service at Post Office Box 94111, Baton Rouge, Louisiana, 70804-9111.

If any accommodations are needed, please notify the Civil Service Department prior to the meeting.

Allen H. Reynolds
Director

9905#068

NOTICE OF INTENT

Department of Economic Development Real Estate Appraisers Board of Certification

Real Estate Appraisers
(LAC 46:LXVII.10101, 10301-10317,
10401-10425, 10501-10507)

Under the authority of the Louisiana Real Estate Appraisers Certification Law, R.S. 37:3395, and in accordance with the provisions of the Louisiana Administrative Procedure Act, R.S. 49:950, et seq., notice is hereby given that the Louisiana Real Estate Appraisers State Board of Certification has initiated procedures to repeal LAC 46:LXVII.Real Estate.Subpart 2.Appraisers, Chapter 101, Authority; Chapter 103, Certification; and Chapter 105, Investigations and Adjudicatory Proceedings, in its entirety,

and to promulgate rules and regulations which will administer the state real estate appraiser certification program in accordance with current federal guidelines.

Title 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part LXVII. Real Estate

Subpart 2. Appraisers

Chapter 101. Authority

§10101. Adoption

A. The rules and regulations of the Louisiana Real Estate Appraisers State Board of Certification contained herein have been adopted pursuant to and in compliance with R.S. 37:3391 et seq. and any violation of these rules or regulations shall be sufficient cause for any disciplinary action permitted by law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

Chapter 103. Certification

§10301. Applications

A. Applications for examination must be submitted on forms prescribed by the board and must be notarized and accompanied by the prescribed fees specified in R.S. 37:3407.

B. An examination authorization will be issued by the board on receipt of a properly completed application.

C. When an applicant has made a false statement of material fact on an application for certification, or in any document submitted in connection with the application process, such false statement may in itself be grounds for refusal of a certificate.

D. A person who has applied for certification and has been denied by the board for having made a false statement of material fact on an application for certification, or for having submitted an appraisal report for experience credit which has been altered in any way or which contains false information, shall not be considered by the board for certification for a period of two years from the date the application was denied.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10303. Examination

A. Any applicant who fails to pass his initial examination may reapply to take a subsequent examination, provided he remits a new examination processing fee within 90 days of his last test date and obtains a new examination authorization. After 90 days the board's files shall be cleared and remittance of all prescribed fees and a new application shall be required. The board, at its discretion, may extend the 90 day retake period upon showing that factors beyond the control of the applicant warrants such an extension.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10305. Fees

A. Except as otherwise provided in the rules and regulations, all fees submitted to the board are non-refundable.

B. The application fee for certification shall cover a period of two calendar years and shall not be prorated.

C. The initial education provider fee shall cover a period of one calendar year and shall not be prorated.

D. Payment of any fee with a check which is returned by a financial institution wherein the reason for not paying the check is not the fault of the financial institution shall be grounds for the cancellation of the transaction for which the fee was submitted and/or the suspension or revocation of a certified appraisers certificate or a certification as a continuing education provider.

E. Persons issuing checks which are returned by financial institutions will be notified of the return of the check by certified mail to the address registered by that person with the board. Within ten days from the mailing of the notification, the person issuing the check will remit a certified check, cashier's check or money order payable to the Louisiana Real Estate Appraisers State Board of Certification in the amount of the returned check.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10307. Basic Education Requirement for Certification

A. The board shall prescribe and define the subjects related to real property appraisal that will satisfy the educational requirements for qualifying and continuing education, including:

1. specific appraisal subjects to be mandatory requirements for residential and general appraiser certification, including the minimum number of hours that must be completed in each subject; and

2. appraisal subjects to be designated as "Electives", including the maximum number of hours of elective study acceptable toward residential and general appraiser certification.

B. Any applicant completing appraisal courses through education providers not certified by the board must apply for and receive approval for such course work being used for certification or renewal. The applicant must provide proof of:

1. course completion;
2. number of classroom hours;
3. examination requirement;
4. detailed course content;
5. any additional information on the subject matter deemed necessary by the board for the rendering of an informed decision on the request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10309. Experience Credit/Review Procedure

A. The chairman and members of the Experience Review Committee shall be appointed by the chairman of the Louisiana Real Estate Appraisers State Board of Certification.

B. In accordance with R.S. 1950, Title 50, Chapter 51, Louisiana Real Estate Appraisers Certification Law, it is the responsibility of the board to verify that applicants for residential and general certification have met the experience requirement prior to issuance of an examination authorization. The committee shall have the authority to request and review copies of any appraisal reports listed in the application for experience credit.

C. Applicants shall list their appraisal experience on the application provided by the board. Computer generated forms will be accepted, provided that all necessary data is submitted in a format similar to that published by the board.

D. The board shall consider for experience credit toward appraiser certification only those real property appraisals which include, but are not limited to, the appraisal of real property consistent with the Uniform Standards of Professional Appraisal Practice.

E. Applications for experience credit shall only be accepted from individuals who have satisfied the education requirement for the type of certification for which they have applied.

F. The board may require an applicant to obtain additional educational training consisting of not less than 15 or more than 30 classroom hours of course work.

G. Appraisals performed by an applicant for an owner or instructor of a school certified by the Louisiana Real Estate Commission within one year from the date the applicant completed prequalifying education course work at the school shall not be used to satisfy any requirement for experience credit for certification as a residential or general real estate appraiser.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10311. Residential Certification Minimum Experience

A. A minimum of 250 credit points is required for residential certification. Regardless of the number of experience points earned in any given year, the maximum allowable credit that can be applied toward the experience requirement is 125 points. There is no minimum point requirement. For example:

1997	140 points	=	1.00	experience year
1996	120 points	=	0.96	experience year
1995	100 points	=	0.80	experience year
	360 points	=	2.76	experience years

1. When an appraisal report is signed by more than one person, credit for said assignment must be divided equally among all signatories. For the purpose of granting credit, a person signing in the capacity of a Review or Supervisory Appraiser is not considered as a co-signer on the report, provided that his role as such is clearly indicated in the report.

2. If the person applying for experience credit was unable to sign the report but is mentioned in the certification as having provided significant professional assistance, a proportional amount of credit based on the number of contributors to the report can be requested.

3. Credit will not be granted if professional assistance was not disclosed.

B. Only appraisals of single-family, one to four unit residential property, or vacant sites suitable for single-family or farm/timber acreage which included the valuation of a single-family dwelling shall be considered for residential experience.

C. A minimum of two years (24 months) of experience shall be required for residential certification.

D. Residential appraisal points shall be awarded as follows.

1. one unit dwelling (house, townhouse, condominium)	1 point
2. two to four unit dwelling (apartment, duplex, condominium)	2 points
3. residential lot (1-4 family)	2 point
4. residential subdivision sites (not to exceed five points per subdivision)	2 point
5. farm or timber acreage suitable for a house site less than 10 acres 10 to 100 acres over 100 acres	1 point 2 points 3 points
6. rural residence - one unit primary dwelling, 10 acres or less	1 point
7. ranchette - part time rural use, 10 to 25 acres, with main dwelling and outbuildings, such as additional residence, barns, and/or other outbuildings	3 points
8. all other unusual structures or acreage, larger or more complex than typical properties described herein	Submitted to board for determination (2 to 5 points)
9. instruction of an approved residential course consisting of at least 20 classroom hours (not to exceed 16 points per year)	4 points
10. residential appraisal textbook authorship (not to exceed 20 points per year)	Submitted to board for determination
11. residential journal articles in journals of approved national appraisal organizations (not to exceed 20 points per year)	10 points
NOTE: The Cumulative Points For Items 9, 10, And 11 Shall Not Exceed 25% Of The Total Points For Residential Certification.	
12. review of appraisals shall be worth 20% of the points awarded for the appraisal (not to exceed 20 points per year)	

E. Applications for experience credit must be submitted on forms prescribed by the board and must be notarized and accompanied by the prescribed fees specified in R.S. 37:3407.

F. Verification of experience may include any or all of the following:

1. client verification of appraisal reports for which the applicant has requested experience credit;
2. submission of selected reports to the board upon request to determine compliance with the Uniform Standards of Professional Appraisal Practice (USPAP);
3. field inspection of all reports identified by the applicant at the applicant's office during normal business hours;
4. requiring an applicant to personally appear before the board, or provide additional information deemed

necessary by the board to make an informed decision on an application for certification;

5. at least 125 experience credit points from complete appraisals reported in self contained or summary appraisal.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10313. General Certification Experience

A. A minimum of 300 credit points is required for general certification. Regardless of the number experience points earned in any given year, the maximum allowable credit that can be applied toward the experience requirement is 100 points. There is no minimum point requirement. For example:

1996	103 points	=	1.00	experience year
1995	145 points	=	1.00	experience year
1994	53 points	=	.53	experience year
1993	60 points	=	.60	experience year
	361 points	=	3.13	experience years

1. When an appraisal report is signed by more than one person, credit for said assignment must be divided equally among all signatories. For the purpose of granting credit, a person signing in the capacity of a Review or supervisory Appraiser is not considered as a co-signer on the report, provided that his role as such is clearly indicated in the report.

2. If the person applying for experience credit was unable to sign the report but is mentioned in the certification as having provided significant professional assistance, a proportional amount of credit based on the number of contributors to the report can be requested.

3. Credit will not be granted if professional assistance was not disclosed.

B. A minimum of three years (36 months) of experience shall be required for general certification.

C. No more than 100 residential experience points shall be accepted for credit toward general certification.

1. A certified residential appraiser applying for general certification shall be granted the maximum allowable credit of 100 residential experience credit points upon request.

D. General appraiser points shall be awarded as follows:

1. apartments	
5 - 20 units	4 points
21 - 100 units	8 points
over 100 units	10 points
2. hotels/motels	
50 or fewer units	6 points
51 - 150 units	8 points
over 150 units	10 points
3. meeting/conference/auditorium	
20,000 square feet or less	4 points
over 20,000 square feet	6 points
4. industrial/warehouse buildings	
20,000 square feet or less	4 points
over 20,000 square feet	8 points

over 100,000 square feet (multiple tenants)	10 points
5. office buildings	
10,000 square feet or less	4 points
over 10,000 square feet	8 points
over 100,000 square feet (multiple tenants)	10 points
6. condominium (must include income approach)	
5 - 30 units	6 points
over 30 units	10 points
7. retail buildings	
10,000 square feet or less	6 points
over 10,000 square feet (single tenant)	8 points
over 50,000 square feet (multiple tenants)	10 points
8. acreage of non-residential land for commercial or multiple family use	
100 acres or less	3 points
over 100 acres (direct sales analysis only)	6 points
over 100 acres (including income approach)	8 points
9. timber/farm acreage for commercial or multiple family use	
100 - 200 acres	3 points
over 200 acres (direct sales analysis only)	6 points
over 200 acres (including income approach to value)	8 points
10. all other unusual structures which are much larger or more complex than the typical properties described herein items (1) - (9)	Submitted to board for determination
11. pasture or grazing enterprises	
25 - 50 acres	1 Point
51 - 100 acres	2 Points
101 - 500 acres	3 Points
501 - 2,000 acres	6 Points
over 2,000 acres	8 Points
12. row crop enterprises	
25 - 50 acres	2 Points
51 - 100 acres	3 Points
101 - 500 acres	4 Points
501 - 2,000 acres	6 Points
over 2,000 acres	10 Points
13. orchard/vineyard, plant nursery enterprises	
50 acres or less	2 Points
51 - 100 acres	4 Points
101 - 500 acres	8 Points
over 500 acres	10 Points
14. aquaculture enterprises	
50 acres or less	2 Points
51 - 100 acres	4 Points
101 - 500 acres	8 Points
over 500 acres	10 Points
15. truck farm enterprises	
50 acres or less	2 Points
51 - 100 acres	4 Points
101 - 500 acres	6 Points
over 500 acres	8 Points
16. dairy enterprises	

50 or less cow milking herd	4 Points
51 - 100 cow milking herd	6 Points
over 100 cow milking herd	8 Points
17. diversified agricultural operations of over 500 acres involving two or more of the above enterprises, assuming multiple disciplines are exhibited in the report	10 Points
18. timberland appraisals	
40 - 100 acres	2 Points
100 - 500 acres	3 Points
500 - 2,000 acres	5 Points
2,000 - 10,000 acres	7 Points
over 10,000 acres	Submitted to board for determination
19. specialized agricultural properties	Submitted to board for determination
Note: No more than 40% of the cumulative points may be earned from any one category (items 1-19). The applicant may request a waiver of this requirement based on his unique depth of experience in a single area.	
20. Review of appraisals shall be worth 20% of the points awarded for the appraisal (not to exceed 20 points per year).	
21. instruction of an approved general course consisting of at least 20 classroom hours (not to exceed 20 points per year)	10 points
22. appraisal textbook authorship in general appraisal topics (not to exceed 20 points per year)	Submitted to board for determination
23. general field journal articles in journal of an approved national appraisal organization (not to exceed 20 points per year)	10 points

NOTE: The cumulative points for Items 21, 22, and 23 shall not exceed 25% of the total points for general certification.

E. At least 150 experience credit points must come from complete appraisals reported in self contained or summary appraisal reports. The reports must include a direct sales approach, cost data approach, and income data approach.

F. Verification of experience may include any or all of the following:

1. client verification of appraisal reports for which the applicant has requested experience credit;
2. submission of selected reports to the board upon request to determine compliance with the Uniform Standards of Professional Appraisal Practice;
3. field inspection of all reports identified by the applicant at the applicant's office during normal business hours;
4. requiring an applicant to personally appear before the board, or provide additional information deemed necessary by the board to make an informed decision on an application for certification.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10315. Appraisal Review Requirements

A. In reviewing an appraisal, an appraiser must observe the following specific guidelines:

1. identify the report being reviewed, the real estate and real property interest being appraised, the effective date

of the opinion in the report being reviewed, and the date of the review;

2. identify the scope of the review process to be conducted;

3. form an opinion as to the adequacy and relevance of the data and the propriety of any adjustments to the data;

4. form an opinion as to the appropriateness of the appraisal methods and techniques used to develop the reasons for any disagreements;

5. form an opinion as to the correctness and appropriateness of the analyses, opinions, and/or conclusions in the report being reviewed, and develop the reasons for any disagreement;

6. state in the letter of transmittal whether or not exterior or interior building inspections were made and, if so, when and by whom;

7. the review must be in writing and include items 1-6.

B. In reporting the results of an appraisal review, and appraiser must:

1. disclose the nature, extent, and detail of the review process undertaken;

2. disclose the information that must be considered in Section 10315.A.1 and 2;

3. set forth the opinions, reasons, and conclusions required in Section 10315.A.3, 4, and 5;

4. include a signed certification.

C. In reviewing an appraisal and reporting the results of that review, an appraiser must separate the review function from any other function.

D. No more than 20 points shall be awarded as experience credit in any one year for review of appraisals.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10317. Co-signed Reports, Reviews, Articles and Textbooks

A. The prorata number of points of each co-signed report, review, article and textbook shall be awarded to each signer of the report.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

Chapter 104. Education Providers/Course Approval **§10401. Qualifying and Continuing Education Course Providers**

A. Educational courses offered by the following providers will be considered by the board:

1. appraisal organizations;

2. colleges and universities;

3. schools certified by the Louisiana Real Estate Commission;

4. federal or state entities;

5. proprietary schools registered with the Louisiana Proprietary School Commission, a division of the Louisiana State Department of Education; and,

6. other educational providers approved by the board.

B. Education providers must apply directly to the board for qualifying and continuing education course approval.

Application forms will be provided by the board. Information to be submitted for each course offering shall include:

1. course content;

2. program structuring;

3. course completion standards;

4. instructor qualifications;

5. minimum number of classroom hours;

6. textbook and course materials;

7. any additional information as requested by the board.

C. Any request from an approved education provider for an additional course must be submitted to the board and approval granted by the board at least 30 days prior to the course presentation.

D. Upon approval by the board, courses for each provider will be listed on the board's approved course list through December 31 following the date approved. The board may extend such approval for the next renewal period if course materials remain current or are updated as law or rule changes may require.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10403. Certification of Education Providers

A. Certification as an education provider shall be granted only to persons who bear a good reputation for honesty, trustworthiness, integrity, and competence to deliver quality instructional services, and only when proof of such qualifications has been presented to the board. The occurrence of any of the following events shall constitute grounds for refusal to grant a certification as an education provider:

1. the applicant has been convicted of forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or theft, or has been convicted of a felony or a crime involving moral turpitude in any court of competent jurisdiction;

2. the applicant had made a false statement of material fact on the application;

3. the applicant refuses to agree to monitoring of courses by the board or its authorized representatives.

B. Upon approval by the board, education providers will be certified for a period of one year with the certification expiring annually on December 31.

C. Certificates issued to education providers will be issued in the legal name of the applicant.

D. Education providers shall:

1. submit monthly schedules and attendance reports to the board as required;

2. insure that all course offerings satisfy the minimum standards of approval endorsed by the Appraisal Qualifications Board of The Appraisal Foundation as established by the Federal Financial Institutions Examination Council or its successor.

3. insure that course offerings specified by the board satisfy all requirements mandated by the board;

4. maintain the attendance records of each student for a period of five years following the date the student completed a course offered by the provider;

5. provide each student with a written cost and refund policy regarding the course offering;

6. insure that all advertisements published or distributed include the name of the provider as registered with the board;

7. report any change in business address or telephone number to the board in writing within 10 days of the date of the change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10405. Course Requirements

A. The board may require approved providers to follow model curriculum guidelines to assure comprehensive coverage of appraisal topics which meet the educational requirements for residential and general appraiser certification.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10407. Qualifying Education

A. Courses accepted for qualifying education credit toward residential or general appraiser certification must include subjects related to real estate appraisal as specified in the following areas.

1. Residential Appraiser Certification
 - a. Influences on real estate value.
 - b. Legal consideration in appraisal.
 - c. Types of value.
 - d. Economic principles.
 - e. Real estate market and analysis.
 - f. Valuation process.
 - g. Property description.
 - h. Highest and best use analysis.
 - i. Appraisal math and statistics.
 - j. Sales comparison approach.
 - k. Site value.
 - l. Cost approach.
 - m. Income approach.
 - n. Valuation of partial interests.
 - o. Appraisal standards and ethics.
 - p. Narrative report writing.
2. General Appraiser Certification
 - a. Influences on real estate value.
 - b. Legal considerations in appraisals.
 - c. Types of value.
 - d. Economic principles.
 - e. Real estate markets and analysis.
 - f. Valuation process.
 - g. Property description.
 - h. Highest and best use analysis.
 - i. Appraisal math and statistics.
 - j. Sales comparison approach.
 - k. Site value.
 - l. Cost approach.
 - m. Income approach.
 - n. Valuation of partial interests.
 - o. Appraisal standards and ethics.
 - p. Narrative report writing.

B. Credit toward the qualifying educational requirement for residential and general appraiser certification will only be granted to those courses which include at least 15 hours of instruction, require successful completion of a final examination and cover specific subjects as defined by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10409. Continuing Education

A. Courses accepted for credit toward the continuing education requirement for residential and general certified appraisers may include, but are not limited to, the following topics:

1. ad valorem taxation;
2. arbitration;
3. business courses related to the practice of real estate appraisal;
4. development cost estimating;
5. ethics and standards of professional practice;
6. land use planning, zoning, and taxation;
7. management, leasing, brokerage, and timesharing;
8. property development;
9. real estate appraisal;
10. real estate financing and investment;
11. real estate law;
12. real estate litigation;
13. real estate appraisal related computer applications;
14. real estate appraisal securities and syndication;
15. real property exchange;
16. Louisiana Real Estate Appraiser Certification Law and the rules and regulations of the Louisiana Real Estate Appraisers State Board of Certification.

B. Courses of instruction for continuing education for state certified appraisers must consist of at least two instructional hours. A final examination is not required on courses administered for the purpose of continuing education; however, if a final examination is given, proof of passage shall be furnished to students successfully completing the examination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10411. Instructor Qualifications

A. Instructors for qualifying education courses must satisfy at least one of the following qualification requirements:

1. a baccalaureate degree in any field and three years of experience directly related to the subject matter to be taught; or
2. a masters degree in any field and one year of experience directly related to the subject matter to be taught; or
3. a masters or higher degree in a field that is directly related to the subject matter to be taught; or
4. five years of real estate appraisal teaching experience directly related to the subject matter to be taught; or

5. seven years of real estate appraisal experience directly related to the subject matter to be taught.

B. Instructors for continuing education courses must satisfy at least one of the following qualification requirements:

1. three years of experience directly related to the subject matter to be taught; or

2. a baccalaureate or higher degree in a field directly related to the subject matter to be taught; or

3. three years of experience teaching the subject matter to be taught; or

4. a combination of education and experience equivalent to 1, 2, or 3 above.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

§10413. Classroom Hour Defined

A. Consistent with the requirements of the Appraiser Qualification Board of the Federal Financial Institutions Examination Council, a classroom hour is defined as 60 minutes, of which 50 minutes are instruction. The prescribed number of classroom hours may include time devoted to examinations which are considered to be part of the course.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

§10415. Compliance with Americans With Disabilities Act (ADA)

A. For purposes of meeting the requirements of the Americans With Disabilities Act (ADA), the board may permit an alternative method of course delivery other than the regular classroom method of presentation. Verification of disability of the individual requiring the completion of course work through an alternative delivery method may be required by the board prior to granting such a request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

§10417. Distance Education Courses

A. Distance education courses may be used for qualifying education credit for certification and continuing education after certification provided the courses meet the conditions prescribed by the Appraiser Qualification Board of the Appraisal Foundation regarding the accreditation of the presenter of the course or approval of the course by the American Council on Education's Program on Non-Collegiate Sponsored Instruction or under the Appraiser Qualification Board's Course Approval Program.

B. Any educational course based on the geographical separation of the learner and the instructor (e.g. CD ROM, on-line learning, correspondence courses, video conferencing, etc.) must provide for interaction between the learner and the instructor. Courses designed for both qualifying education credit and continuing education credit must include testing and proof of passage shall be furnished to students successfully completing the examination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

§10419. Video Presentations in Classroom Instruction

A. Video presentations will be accepted for qualifying and continuing education credit only when used as a training aide by an instructor in a classroom setting.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

§10421. Combining Appraisal and Real Estate Prelicensing Courses Prohibited

A. Appraisal courses combined with real estate salesperson and/or broker prelicensing courses offered by schools certified by the Louisiana Real Estate Commission and approved by the board as education providers will not be accepted by the board as qualifying education.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

§10423. Determination of Credit Hours For Qualifying Education

A. Each course credited toward an individual's educational requirement must represent a progression in which the individual's knowledge is increased. Full credit will not be granted to an individual for courses completed which are repetitive in nature.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

§10425. Final Examination on Additional Education Required by Board

A. A final examination is required on courses administered for the purpose of additional education when directed by the board. Completion of these courses shall be evidenced by a certificate of course completion issued by the education provider. Such courses shall not be used to satisfy the requirement for continuing education in the applicable recertification period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:

Chapter 105. Investigations and Adjudicatory Proceedings

§10501. Investigations

A. The board may, upon its own motion, and shall upon the verified complaint in writing of any person, investigate the actions of a certificate holder, or any person who assumes to act as such. Written complaints shall bear the signature of the complainant or that of his legal representative before any action will be taken thereon by the board.

B. Upon documented probable cause the executive director of the board may issue written authorization to

investigate apparent violations of the Louisiana Real Estate Appraisers Certification Law and/or the rules and regulations of the board.

C. If during the conduct of an investigation documented probable cause is established indicating that violations of the Louisiana Real Estate Appraisers Certification Law and/or the rules and regulations of the board have been committed by any certificate holder other than the certificate holder against whom the original complaint was made, the additional certificate holders may be added as respondents to the investigation in the absence of any written complaint alleging such violations.

D. Investigations alleging violations of the Louisiana Real Estate Appraisers Certification Law and/or the rules and regulations of the board shall be investigated by the staff of the Louisiana Real Estate Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

§10503. Technical Assistance

A. In any investigation conducted by the staff of the Commission, the chairman of the board may be requested to assign a member of the board to provide technical assistance to the investigator conducting the investigation.

B. When a member of the board has been assigned to provide technical assistance to a Commission investigator, the member shall review the findings and recommendation resulting from the investigation. A written certification of the review signed by the board member shall be provided to the Commission investigator and appended to the report of investigation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

§10505. Cooperation

A. Every certificate holder shall cooperate fully with and answer all questions propounded by Commission personnel conducting an investigation for the board.

B. Every certificate holder shall produce any document, book, or record in the certificate holder's possession, or under his control, concerning any matter under investigation by Commission personnel conducting an investigation for the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

§10507. Adjudicatory Proceedings

A. When, as a result of an investigation, it appears that violations of the Louisiana Certified Real Estate Appraisers Certification Law may have been committed by a certificate holder, the violations may be adjudicated through informal or formal adjudicatory proceedings.

B. The complaint may be concluded informally without public hearing on the recommendation of the hearing examiner and the concurrence of the executive director.

1. A preliminary notice of adjudication shall be issued to advise the respondent of the violation or violations alleged and to advise the respondent that the matter can be resolved informally should the respondent desire to admit to

committing any act or acts specified and submits a written request that the matter be resolved informally.

2. A hearing officer shall be appointed by the executive director to conduct an informal hearing with the respondent.

3. The informal hearing shall be attended by the case investigator, or in the absence of the case investigator, the chief real examiner, who shall respond to questions concerning the investigation which resulted in the allegations, and the hearing examiner, who shall inform the hearing officer of the administrative, jurisdictional, and other matters relevant to the proceedings. No evidence shall be presented, no witnesses shall be called, and no formal transcript of the proceedings shall be prepared. Statements made during the informal proceedings may not be introduced at any subsequent formal adjudicatory proceedings without the written consent of all parties to the informal hearing.

4. Following an admission by the respondent at the informal hearing that violations were committed as alleged, the hearing officer may enter into a recommended stipulation and consent order to include the imposition of any sanctions authorized by the Louisiana Real Estate Appraisers Certification Law. In the written document, the respondent must stipulate to having committed an act or acts in violation of the Louisiana Real Estate Certification Law or the rules and regulations of the board, accept the sanctions recommended by the hearing officer, and waive any rights to request a rehearing, reopening, or reconsideration by the board, and the right to judicial appeal of the consent order.

5. If, at the informal hearing, the respondent does not admit to having committed the act or acts specified, does not accept the sanctions recommended by the hearing officer, or does not waive the specified appellate rights, the alleged violations shall be referred to a formal adjudicatory hearing.

6. If the respondent does execute a stipulation and consent order, the executive director shall submit the document to the board at the next regular meeting for approval and authorization for the executive director to execute the Consent Order in the name of the board.

7. The actions of the board relative to all consent orders shall be noted in the minutes of the meeting at which the consent order is approved and authorization is granted to the executive director to execute the order in the name of the board.

8. Any consent order executed as a result of an informal hearing shall be effective on the date approved by the board.

C. All formal public adjudicatory hearings shall be conducted under the auspices of R.S. 37:3409 and Chapter 13 of Title 49 of the Louisiana Revised Statutes.

1. Board members who have provided technical assistance in any matter being adjudicated at formal adjudicatory proceedings shall recuse themselves and not participate in any portion of the proceedings.

2. The order issued by the board pursuant to any formal public adjudicatory proceeding shall become effective on the eleventh day following the date the order is issued by the board and entered into the record at the proceedings.

3. The date of entry is the date the order is issued by the board and entered into the record at the formal adjudicatory proceedings.

4. If a request for rehearing, reopening, or reconsideration of the order of the board is timely filed and denied by the board, the order of the board shall become final on mailing of the notice of the board's final decision on the request.

5. An order of the board shall be subject to rehearing, reopening or reconsideration by the board on receipt of a written request from a respondent. An application for rehearing, reopening or reconsideration must be received at the office of the board within 10 days from the date of entry of the order rendered by the board.

6. The request shall be reviewed by the board attorney for compliance with the Administrative Procedure Act. A finding by the board attorney that the request does not establish grounds for rehearing, reopening or reconsideration shall result in a denial for the request.

7. Proceedings for judicial review of an order issued by the board may be instituted by filing a petition for judicial review in the Nineteenth Judicial District Court in the parish of East Baton Rouge.

8. In the event a request for rehearing, reopening or reconsideration has been filed with the board, the party making the request shall have 30 days from the final decision on the request within which to file a petition for judicial review.

9. If a request for rehearing, reopening or reconsideration is not filed with the Board, the petition for judicial review must be filed in the Nineteenth Judicial District Court within 30 days after the mailing of the order of the board.

10. The filing of a petition for judicial review by a respondent certificate holder does not itself stay enforcement of an order of the board. A stay of enforcement shall be granted only when directed by the court conducting a judicial review of adjudication.

D. On a finding that a respondent has committed the violations as alleged in any formal or informal adjudicatory proceedings, the board may assess the respondent the administrative costs of the proceedings, as determined by the board. Payment of these costs shall be a condition of satisfying any order issued by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:

Interested parties are invited to submit written comments on the proposed regulations through June 20, 1999 at 4:30 p.m., to Stephanie Boudreaux, Louisiana Real Estate

Commission, Box 14785, Baton Rouge, LA, 70898-4785 or to 9071 Interline Avenue, Baton Rouge, LA, 70809.

Julius C. Willie
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE:

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no estimated implementation costs (savings) associated with the proposed amendments. The language serves to bring the existing rules and regulations into compliance with federal guidelines, to incorporate application and review policies into the rules and regulations, to better define the adjudicatory process, and to expedite appellate proceedings.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There would be no impact on the revenue collections of local governmental units. State revenue collections are anticipated to increase by some negligible but indeterminable amount. The proposed amendment which could impact revenue collection requires applicants who fail an examination to remit a new examination processing fee within 90 days of the applicant's last test date. After 90 days, remittance of all application fees and a new application will be required. The effect on revenue collection would be determined by the number of applicants who extend beyond the 90 day retake period.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

In addition to the general public, groups which may be directly affected by the proposed amendments include applicants for certification, certified real estate appraisers, and education providers and instructors. There is no way to estimate costs and/or economic benefits to these groups. Cost relative to the application and examination processes will be determined by the applicant based on the number of times the exam is taken and the time frame within which it is taken. Amendments to the basic education requirements track recent federal guidelines established for state certification programs and are designed to ensure that the learner participates in an education program that will provide the necessary skill, knowledge and competency. It is anticipated that these requirements will provide an instruction benefit which the learner will ultimately pass on to the general public.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

Education providers who use video presentations in lieu of live instruction may be affected by the provision which will limit video presentations to those used as training aids by an

instructor in a classroom setting. The proposed language tracks the minimum real property appraiser qualification criteria established by the federal Appraiser Qualifications Board. There is no way to estimate the effect on competition and employment.

Julius C. Willie
Executive Director
9905#066

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

Board of Elementary and Secondary Education

Bulletin 1868 Personnel Manual (LAC 28:I.922)

In accordance with R.S. 49:950 et seq., the Administrative Procedure Act, notice is hereby given that the State Board of Elementary and Secondary Education approved for advertisement, an amendment to Bulletin 1868, BESE Personnel Manual, Chapter E: Employee Benefits. Bulletin 1868 is referenced in LAC 28:I.922. The revision addresses the issue of payment of accrued annual leave (up to 300 hours) for SSD #1 and BESE Special Schools, upon separation from employment.

Title 28

EDUCATION

Part I. Board of Elementary and Secondary Education

Chapter 9. Bulletins, Regulations, and State Plans

Subchapter A. Bulletins and Regulations

' 922. Personnel Policies

A. Bulletin 1868

* * *

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6(a)(10); R.S. 17:6(B); R.S. 17:7(5); R.S. 17:7(10); R.S.17:81.4; R.S. 17:1941-1956; R.S. 17:1993; H. B. 239 of 1994.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education LR 16:297 (April 1990). Amended LR 21:163 (February 1995); LR 22:3 (January 1996); LR 24:434 (March 1998), LR 25:

Chapter E: Employee Benefits

153: Leave

A. Board Special Schools and Special School District #1

Part I: Certificated Staff/Paraeducator Leave Plan

C. Annual Leave

1. - 4.d. ...

e. Employees who must be absent, without prior approval, for non-illness reasons will be charged with personal leave if they possess such leave. Lacking personal leave, annual leave will be used.

5. When an employee changes employment from a Board Special School, Special School District #1 school, or a Louisiana public school system to a Board Special School, Special School District #1, or Louisiana Technical College System, the accumulated annual leave balance shall be carried forward to the new school and shall be credited to the employee.

6. Upon resignation, death, removal or other termination of employment of an unclassified employee, annual leave amounting to the same maximum as is provided in the Civil Service Rules for classified employees, and accrued to the employees credit shall be computed and the value thereof shall be paid to him/her or the heirs, provided that the annual leave has been accrued under established leave regulations and an attendance record has been maintained for the employee by the supervisor. Such pay shall be computed on the employees base rate of pay at the time of termination.

7. When an employee terminates employment and has used annual leave hours in excess of what was earned by the time of separation, the applicable school shall deduct the amount of money due from the last pay check and/or the employee shall pay in cash to the school the amount due, according to the following formula:

Hourly rate of pay X (times) number of annual leave hours used but not earned.

Interested persons may submit written comments until 4:30 p.m., July 9, 1999, to Jeannie Stokes, Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064

Weegie Peabody
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Bulletin 1868 Personnel Manual

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

Approximately 300 unclassified employees of SSD#1 and the BESE Special Schools earn annual leave and are presently denied payment for such leave (up to 300 hours) which is accrued at the time of separation. The payment of up to 300 accrued hours of annual leave would be based on the employees' hourly salary. An estimate of the economic impact of this policy based on 5% annual separation rate is \$86,535 which each agency would absorb from its salary categories.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

This document does not address revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The payment of up to 300 accrued hours of annual leave would be based on the employees' hourly salary.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

Adoption of this procedure will parallel this employee benefit with that of other state employees.

Marlyn J. Langley
Deputy Superintendent
Management and Finance
9905#067

H. Gordon Monk
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

**Student Financial Assistance Commission
Office of Student Financial Assistance**

Leveraging Educational Assistance
Partnership (LEAP) Eligibility
(LAC 28:IV.301, 1301-1305, 1901, 1903)

The Louisiana Student Financial Assistance Commission (LASFAC) announces its intention to amend rules of the Leveraging Educational Assistance Partnership (LEAP) Program, formerly State Student Incentive Grant (SSIG) Program (R.S. 17:3032.5).

**Title 28
EDUCATION**

**Part IV. Student Financial Assistance Higher
Education Scholarship and Grant Programs**

Chapter 3. Definitions

§301. Definitions

Substantial Financial Need for purposes of the LEAP (formerly SSIG) program only, substantial financial need is the difference between the student's cost of attendance and the sum of that student's expected family contribution (EFC), plus other student aid the student is due to receive. The difference thus computed must exceed \$199.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3021-3036, R.S. 17:3042.1 and R.S. 17:3048.1.

HISTORICAL NOTE: Promulgated by the Student Financial Assistance Commission, Office of Student Financial Assistance, LR 24:632 (April 1998), amended LR 24:1898 (October 1998), LR 25:, LR 25:

**Chapter 13. Leveraging Educational Assistance
Partnership (LEAP) Program [formerly
State Student Incentive Grant (SSIG)
Program]**

§1301. General Provisions

B. Description, History and Purpose. The Louisiana Leveraging Educational Assistance Partnership (LEAP) Program, first funded in 1975, provides need-based grants to academically qualified students using federal and state funds. These grants are to be used for educational expenses including tuition and fees, books and supplies, and living expenses, such as room, board and transportation.

C. Louisiana administers a decentralized LEAP Program. Certain functions of the program are delegated to participating schools. Schools approved for participation in the Louisiana LEAP Program must have federal eligibility and must annually submit a state application and be approved for state participation. Funding available for a specific award year is allocated to eligible in-state postsecondary institutions who select and certify recipients to LASFAC. LASFAC forwards award funding to the institutions for disbursement to the student or student's account.

E. Allocation of Funds. Annually, funds are allocated to postsecondary institutions based on school type, the school's

prior year first-time, full-time enrollment and the amount of the prior year's allocation that was expended. Initial funds, for first-time recipients, are computed as a percentage of all participating institutions first-time, full-time enrollment as of October 10 of the prior fiscal year. A student's enrollment in an undergraduate degree granting school which is a component of a state supported medical center, shall be a first-time, full-time freshman for the purpose of this program. Continuation funds for students who had previously received LEAP are computed as a percentage of the allocated funds used during the previous year. The continuation formula applies 60 percent for four year schools and 40 percent for two-year schools.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3021-3036, R.S. 17:3042.1 and R.S. 17:3048.1.

HISTORICAL NOTE: Promulgated by the Student Financial Assistance Commission, Office of Student Financial Assistance, LR 24:641 (April 1998), amended LR 24:1910 (October 1998), LR 25:

§1303. Establishing Eligibility

LEAP applicants must meet all of the following criteria:

5. be selected and certified by the school for receipt of an LEAP award, contingent upon final approval by LASFAC; and

6. meet any additional selection criteria established by the individual institution participating in the LEAP Program; and

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3021-3036, R.S. 17:3042.1 and R.S. 17:3048.1.

HISTORICAL NOTE: Promulgated by the Student Financial Assistance Commission, Office of Student Financial Assistance, LR 24:641 (April 1998), amended LR 24:1910 (October 1998), LR 25:

§1305. Maintaining Eligibility

To continue receiving an LEAP Award, the recipient must meet all of the following criteria:

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3021-3036, R.S. 17:3042.1 and R.S. 17:3048.1.

HISTORICAL NOTE: Promulgated by the Student Financial Assistance Commission, Office of Student Financial Assistance, LR 24:642 (April 1998), amended LR 24:1911 (October 1998), LR 25:

**Chapter 19. Eligibility and Responsibilities of
Postsecondary Institutions**

**§1901. Eligibility of Postsecondary Institutions to
Participate**

A. Undergraduate degree granting schools which are components of Louisiana public university medical centers and two- and four-year public colleges and universities are authorized to participate in the Tuition Opportunity Program for Students (TOPS), Rockefeller State Wildlife Scholarship, Leveraging Educational Assistance Partnership (LEAP) Program and the T. H. Harris Scholarship.

B. Regionally accredited private colleges and universities which are members of the Louisiana Association of Independent Colleges and Universities, Inc. (LAICU) are authorized to participate in TOPS and LEAP. As of November 1997, LAICU membership included Centenary College, Dillard University, Louisiana College, Loyola

University, Our Lady of the Lake College of Nursing and Allied Health, Our Lady of Holy Cross College, Tulane University and Xavier University.

C. Campuses of Louisiana Technical College are authorized to participate in TOPS-TECH and LEAP.

D. Approved Louisiana proprietary and beauty schools are authorized to participate in LEAP only.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3021-3036, R.S. 17:3042.1 and R.S. 17:3048.1.

HISTORICAL NOTE: Promulgated by the Student Financial Assistance Commission, Office of Student Financial Assistance, LR 24:645 (April 1998), amended LR 24:1914 (October 1998), LR 25:

§1903. Responsibilities of Postsecondary Institutions

C. Annual Application for Participation in, and Certification of Recipients of the LEAP Program

1. Annually, LASFAC forwards LEAP institutional participation agreements to those schools participating in the program during the prior award year, and upon written requests received, to schools not participating in the LEAP Program during the prior award year. To be eligible for allotment of LEAP funds the institution must meet all of the following requirements:

a. complete and return the annual LEAP application by the specified deadline; and

b. certify that students and parents will not be charged a fee for the collection of information used to determine the student's eligibility for LEAP; and

c. certify that students listed on the recipient roster meet federal, state and institutional specific LEAP eligibility criteria; and

d. certify that if the institution's LEAP allotment is based in part on the financial need of independent students, as defined by the U.S. Department of Education, a reasonable portion of the institution's allotment is being made available to independent students; and

e. certify that each LEAP recipient's total package of aid does not exceed the student's financial need; and

f. certify that LEAP funds recovered from over awards, refunds, and/or repayments, as defined in §301, during the applicable award period shall be returned to LASFAC to be reissued to other qualified students. Funds recovered from over awards, refunds and/or repayments after the applicable award period shall be returned to LASFAC for return to the U.S. Department of Education and/or the state of Louisiana. The amount of over award, refund and/or repayment shall be determined according to the school's policy established in accordance with federal regulations.

2. Annually, LASFAC provides eligible institutions an official allotment schedule, recipient roster and institution certification forms. Institutions are required to:

a. complete and return recipient rosters and institutional certification forms to ensure expenditure of allotted LEAP awards by the school specific deadlines of November 1 for public and LAICU member two- and four-year colleges and universities and January 1 for

campuses of Louisiana Technical College and proprietary institutions; and

b. submit changes to the recipient roster by completing a replacement roster, provided by LASFAC; and

c. certify that if any LEAP funds are released in error to ineligible students, the institution will either recover the award amount from the students and refund to LASFAC or remit the refund due.

D. ...

3. release award funds by crediting the student's account within 14 days of the institution's receipt of funds or disbursing individual award checks to recipients as instructed by LASFAC. Individual award checks for the T. H. Harris Scholarship, Rockefeller State Wildlife Scholarship, TOPS Teacher Award and LEAP must be released to eligible recipients within 30 days of receipt by the school or be returned to LASFAC.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3021-3036, R.S. 17:3042.1 and R.S. 17:3048.1.

HISTORICAL NOTE: Promulgated by the Student Financial Assistance Commission, Office of Student Financial Assistance, LR 24:645 (April 1998), amended LR 24:1914 (October 1998), LR 25:

Interested persons may submit written comments on the proposed changes until 4:30 p.m., June 20, 1999, to Jack L. Guinn, Executive Director, Office of Student Financial Assistance, Box 91202, Baton Rouge, LA 70821-9202.

Jack L. Guinn
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES RULE TITLE: Leveraging Educational Assistance Partnership (LEAP)

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The implementation cost associated with publishing these rule revisions in the *Louisiana Register* as notice and rule is approximately \$160.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

No impact on revenue collections is anticipated to result from this rule change.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

No change in benefits to directly affected persons is anticipated to result from this rule change.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

No impact on competition and employment is anticipated to result from this rule.

Jack L. Guinn
Executive Director
9905#016

H. Gordon Monk
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Environmental Quality
Office of Air Quality and Radiation Protection
Air Quality Division**

**Emission Guidelines for MSW Landfills and
Hospital/Medical/Infectious Waste Incinerators
(LAC 33:III.3003) (AQ191*)**

Under the authority of the Environmental Quality Act, R.S. 30:2001 et seq., and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the secretary gives notice that rulemaking procedures have been initiated to amend the Air Quality Division regulations, LAC 33:III.3003 (Log #AQ191*).

This proposed rule is identical to a federal regulation found in 40 CFR Part 60, July 1, 1998, which is applicable in Louisiana. For more information regarding the federal requirement, contact the Investigations and Regulation Development Division at the address or phone number given below. No fiscal or economic impact will result from the proposed rule; therefore, the rule will be promulgated in accordance with R.S. 49:953(F)(3) and (4).

This rule incorporates by reference Title 40 Code of Federal Regulations (CFR) Part 60 as revised July 1, 1998, into LAC 33:III.Chapter 30. Louisiana receives delegation authority from the U.S. Environmental Protection Agency (EPA) for 40 CFR Part 60, Standards of Performance for New Stationary Sources (NSPS), by incorporating the federal regulations into the LAC. EPA's 105 Grant Objectives require incorporation by reference of new and revised NSPS regulations to be made annually. This rulemaking meets that requirement. The basis and rationale for this proposed rule are to mirror the federal regulations.

This proposed rule meets an exception listed in R.S. 30:2019 (D) (3) and R.S.49:953 (G) (3); therefore, no report regarding environmental/health benefits and social/economic costs is required.

**Title 33
ENVIRONMENTAL QUALITY
Part III. Air**

**Chapter 30. Standards of Performance for New
Stationary Sources (NSPS)**

Subchapter A. Incorporation by Reference (IBR)

**§3003. IBR 40 Code of Federal Regulations (CFR) Part
60**

A. Except as modified in this Section, regulations at 40 CFR part 60 as revised July 1, 1998, and specified below in Tables 1 and 1.A are hereby incorporated by reference as they apply to the State of Louisiana.

Table 1. 40 CFR Part 60	
40 CFR Part 60 Subpart	Subpart Heading
*** [See Prior Text in A-C]	
Ca	Reserved
Cb	Emission Guidelines and Compliance Times for

	Large Municipal Waste Combustors That Are Constructed on or Before September 20, 1994
*** [See Prior Text in Cc-Cd]	
Ce	Emission Guidelines and Compliance Times for Hospital/Medical/Infectious Waste Incinerators
*** [See Prior Text in D-Ea]	
Eb	Standards of Performance for Municipal Waste Combustors for which Construction is Commenced after September 20, 1994, or for Which Modification or Reconstruction Is Commenced After June 19, 1996
Ec	Standards of Performance for Hospital/Medical/Infectious Waste Incinerators for Which Construction is Commenced after June 20, 1996
*** [See Prior Text in F-WWW]	

[See Prior Text in Table 1.A]

B. Reserved.

[See Prior Text in C-D]

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 22:1212 (December 1996), amended LR 23:1681 (December 1997), LR 24:1287 (July 1998), LR 24:2238 (December 1998), LR 25:

A public hearing will be held on June 24, 1999, at 1:30 p.m. in the Maynard Ketcham Building, Room 326, 7290 Bluebonnet Boulevard, Baton Rouge, LA 70810. Interested persons are invited to attend and submit oral comments on the proposed amendments. Should individuals with a disability need an accommodation in order to participate, contact Patsy Deaville at the address given below or at (225) 765-0399.

All interested persons are invited to submit written comments on the proposed regulations. Commentors should reference this proposed regulation by AQ191*. Such comments must be received no later than June 24, 1999, at 4:30 p.m., and should be sent to Patsy Deaville, Investigations and Regulation Development Division, Box 82282, Baton Rouge, LA 70884 or to fax (225) 765-0486. The comment period for this rule ends on the same date as the public hearing. Copies of this proposed regulation can be purchased at the above referenced address. Contact the Investigations and Regulation Development Division at (225) 765-0399 for pricing information. Check or money order is required in advance for each copy of AQ191*.

This proposed regulation is available for inspection at the following DEQ office locations from 8 a.m. until 4:30 p.m.: 7290 Bluebonnet Boulevard, Fourth Floor, Baton Rouge, LA 70810; 804 Thirty-first Street, Monroe, LA 71203; State Office Building, 1525 Fairfield Avenue, Shreveport, LA 71101; 3519 Patrick Street, Lake Charles, LA 70605; 3501 Chateau Boulevard, West Wing, Kenner, LA 70065; 100

Asma Boulevard, Suite 151, Lafayette, LA 70508; 104 Lococo Drive, Raceland, LA 70394 or on the Internet at <http://www.deq.state.la.us/olae/irdd/olaeregs.htm>.

Gus Von Bodungen, P.E.
Assistant Secretary

9905#046

NOTICE OF INTENT

Department of Environmental Quality Office of Air Quality and Radiation Protection Air Quality Division

Emission Reduction Credits Banking
(LAC 33:III.603, 607, 613, 615, and 621)(AQ190)

Under the authority of the Environmental Quality Act, R.S. 30:2001 et seq., and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the secretary gives notice that rulemaking procedures have been initiated to amend the Air Quality Division regulations, LAC 33:III.603, 607, 613, 615, and 621 (AQ190).

The EPA promulgated the new ozone national ambient air quality standards (NAAQS) on July 18, 1998, which become effective on July 18, 1999. This proposed rule accommodates ozone nonattainment classifications resulting from the new NAAQS. It also corrects a typographical error for the date on which emission credits begin their 10-year life and clarifies the use for emission credits having a 10-year life. The basis and rationale for this proposed rule are to assist the department in meeting air quality management goals through flexible approaches that benefit both the environment and the regulated entities, allow for less costly control strategies, and provide stronger incentives for the development and implementation of pollution prevention measures and innovative emission reduction technology.

This proposed rule meets the exceptions listed in R.S. 30:2019(D)(3) and R.S. 49:953(G)(3); therefore, no report regarding environmental/health benefits and social/economic costs is required.

Title 33

ENVIRONMENTAL QUALITY

Part III. Air

Chapter 6. Regulations on Control of Emissions Through the Use of Emission Reduction Credits Banking

§603. Applicability

Sources in EPA-designated ozone nonattainment areas must participate in the emissions banking program. Sources in EPA-designated ozone attainment areas may participate in the emissions banking program. If a source in an attainment area participates in the emissions banking program, the source must submit the annual submission required by LAC 33:III.613.D. The following sources in ozone nonattainment parishes are eligible to participate in the emissions banking program: any stationary point source, any area source, and any registered mobile source. The following sources in ozone attainment parishes are eligible to participate in the emissions banking program: any stationary point source and

any area source. The rule shall apply to the following pollutants: NO_x and VOC.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 20:874 (August 1994), amended LR 24:2239 (December 1998), LR 25:

§607. Stationary Point Source Emission Reductions

* * *

[See Prior Text in A-A.1]

- a. volatile organic compounds (VOCs); and
- b. nitrogen oxides (NO_x).

* * *

[See Prior Text in A.2-D]

E. Geographic Areas. Emissions are banked by geographic areas, usually individual parishes. Separate accounts shall be maintained (either by parish or by EPA-designated geographic area) for ozone nonattainment areas and ozone attainment areas. Each area, shall maintain separate accounts for NO_x and for VOCs.

* * *

[See Prior Text in F-G.4]

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 20:877 (August 1994), amended LR 25:

§613. ERC Bank Balance Sheet

* * *

[See Prior Text in A-C]

D. Schedule. All applications for banking ERCs in the parishes of Ascension, East Baton Rouge, Iberville, Livingston, and West Baton Rouge where the emission reductions occurred prior to the date this banking rule was first adopted shall be submitted within six months after August 20, 1994. First-time applications for banking ERCs for attainment parishes may be submitted at any time. If a parish is redesignated as ozone nonattainment by the EPA, applications for banking ERCs for those parishes must be submitted within six months after the effective date of the EPA designation. All applications for banking ERCs where the emission reductions occurred after the date this banking rule was adopted for an area shall be submitted by March 1 following the year in which the reduction occurred. The balances (i.e., the balance available for netting and the balance available for offsets) from the ERC bank balance sheets of Subsection A of this Section shall be submitted to the department by March 1 of each year together with the certification specified in Subsection E of this Section. All emission reductions must meet the timing restrictions set forth in LAC 33:III.607.D in order to be eligible for banking as ERCs.

* * *

[See Prior Text in E-F]

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 20:877 (August 1994), amended LR 25:

§615. Schedule for Submitting Applications

[See Prior Text in A-B]

C. Owner(s) or operator(s) of major sources in the parishes of Ascension, East Baton Rouge, Iberville, Livingston, and West Baton Rouge with VOC or NO_x emission reductions not identified through the process described in Subsection B of this Section will be confiscated. A notification of confiscation will be sent by the department at such time that a permit modification or renewal is submitted using "unbanked" VOC or NO_x emission reductions described in Subsection B of this Section as offsets or for netting purposes.

[See Prior Text in D]

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 20:878 (August 1994), amended LR 21:681 (July 1995), LR 25:

§621. Protection of Banked ERCs

A. Only ERCs used as offsets are valid for 10 years from the date of their actual emission reduction to the atmosphere.

[See Prior Text in B-B.3]

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Radiation Protection, Air Quality Division, LR 20:879 (August 1994), amended LR 25:

A public hearing will be held on June 24, 1999, at 1:30 p.m. in the Maynard Ketcham Building, Room 326, 7290 Bluebonnet Boulevard, Baton Rouge, LA 70810. Interested persons are invited to attend and submit oral comments on the proposed amendments. Should individuals with a disability need an accommodation in order to participate, contact Patsy Deaville at the address given below or at (225) 765-0399.

All interested persons are invited to submit written comments on the proposed regulations. Commentors should reference this proposed regulation by AQ190. Such comments must be received no later than July 1, 1999, at 4:30 p.m., and should be sent to Patsy Deaville, Investigations and Regulation Development Division, Box 82282, Baton Rouge, LA 70884 or to fax (225) 765-0486.

This proposed regulation is available for inspection at the following DEQ office locations from 8 a.m. until 4:30 p.m.: 7290 Bluebonnet Boulevard, Fourth Floor, Baton Rouge, LA 70810; 804 Thirty-first Street, Monroe, LA 71203; State Office Building, 1525 Fairfield Avenue, Shreveport, LA 71101; 3519 Patrick Street, Lake Charles, LA 70605; 3501 Chateau Boulevard, West Wing, Kenner, LA 70065; 100 Asma Boulevard, Suite 151, Lafayette, LA 70508; 104

Lococo Drive, Raceland, LA 70394 or on the Internet at <http://www.deq.state.la.us/olae/irdd/olaeregs.htm>.

Gus Von Bodungen, P.E.
Assistant Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Emission Reduction Credits Banking

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no estimated implementation costs or savings to either state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no estimated effect on revenue collections of either state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no known costs and/or economic benefits to directly affected persons or nongovernmental groups. At this time, the impact of the new EPA Ozone National Ambient Air Quality Standard (NAAQS) on the emission reductions banking program is not clearly understood. The new NAAQS lowers the threshold of the ozone concentration level from .120 ppm (averaged for 1 hr.) to .080 ppm (averaged for 8 hrs.) This change in ozone NAAQS may increase the number of ozone nonattainment parishes in Louisiana.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no estimated effect on competition and employment.

Gus Von Bodungen, P.E.
Assistant Secretary
9905#040

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Environmental Quality
Hazardous Waste Division
Office of Waste Services**

EPA Authorization Package, RCRA VII, VIII, and IX (LAC 33:V.517, 519, 1109, 3001, and 4301)(HW066*)

Under the authority of the Environmental Quality Act, R.S. 30:2001 et seq., and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the secretary gives notice that rulemaking procedures have been initiated to amend the Hazardous Waste Division regulations, LAC 33:V.517, 519, 1109, 3001, and 4301 (Log #HW069).

This proposed rule adds the requirement for a registered professional engineer who certifies specific technical data to be a Louisiana registered professional engineer. The universal wastes, lamps and antifreeze, were adopted in a previous regulatory package, but an omission of these wastes was made in LAC 33:V.4301. This rule is correcting the omission. LAC 33:V.3001 is being amended to exclude "conditionally exempt" from conditionally exempt small quantity generators, because Louisiana does not recognize conditionally exempt small quantity generators. The basis and rationale for this proposed rule are to clarify and correct specific requirements within Louisiana's regulations.

This proposed rule meets the exceptions listed in R.S. 30:2019 (D) (3) and R.S.49:953 (G) (3); therefore, no report regarding environmental/health benefits and social/economic costs is required.

Title 33

ENVIRONMENTAL QUALITY

Part V. Hazardous Waste and Hazardous Materials

Subpart 1. Department of Environmental

Quality, Hazardous Waste

Chapter 5. Permit Application Contents

Subchapter D. Part II General Permit Information Requirements

§517. Part II Information Requirements (the Formal Permit Application)

The formal permit application information requirements presented in this Section reflect the standards promulgated in LAC 33:V.Subpart 1. These information requirements are necessary in order to determine compliance with all standards. Responses and exhibits shall be numbered sequentially according to the technical standards. The permit application must describe how the facility will comply with each of the sections of LAC 33:V.Chapters 15-37 and 41. Information required in the formal permit application shall be submitted to the administrative authority and signed in accordance with requirements in LAC 33:V.509. The description must include appropriate design information (calculations, drawings, specifications, data, etc.) and administrative details (plans, flow charts, decision trees, manpower projections, operating instructions, etc.) to permit the administrative authority to determine the adequacy of the hazardous waste permit application. Certain technical data, such as design drawings, specifications, and engineering studies, shall be certified by a Louisiana registered professional engineer. If a section does not apply, the permit application must state it does not apply and why it does not apply. This information is to be submitted using the same numbering system and in the same order used in these regulations:

* * *

[See Prior Text in A - W]

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2180 et seq.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Solid and Hazardous Waste, Hazardous Waste Division, LR 10:200 (March 1984), amended LR 10:280 (April 1984), LR 13:433 (August 1987), LR 14:790 (November 1988), LR 15:181 (March 1989), LR 15:378 (May 1989), LR 16:220 (March 1990), LR 16:399 (May 1990), LR 16:614 (July 1990), LR 16:683 (August 1990), LR 17:658 (July

1991), LR 18:1256 (November 1992), LR 21:266 (March 1995), amended by the Office of Waste Services, Hazardous Waste Division, LR 24:657 (April 1998), LR 24:1691 (September 1998), LR 25:436 (March 1999), LR 25:

Subchapter E. Specific Information Requirements

§519. Contents of Part II: General Requirements

Part II of the permit application consists of the general information requirements of this Section, and the specific information requirements in LAC 33:V.519-549 applicable to the facility. The Part II information requirements presented in LAC 33:V.519-549 reflect the standards promulgated in LAC 33:V.Chapters 15-37. These information requirements are necessary in order for the administrative authority to determine compliance with LAC 33:V.Chapters 15-37. If owners and operators of Hazardous Waste Management facilities can demonstrate that the information prescribed in Part II cannot be provided to the extent required, the administrative authority may make allowance for submission of such information on a case-by-case basis. Information required in Part II shall be submitted to the administrative authority and signed in accordance with requirements in Subchapter B of this Chapter. Certain technical data, such as design drawings and specifications and engineering studies, shall be certified by a Louisiana registered professional engineer. For post-closure permits, only the information specified in LAC 33:V.528 is required in Part II of the permit application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2180 et seq.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Solid and Hazardous Waste, Hazardous Waste Division, LR 10:200 (March 1984), amended LR 10:280 (April 1984), amended by the Office of Waste Services, Hazardous Waste Division, LR 25:436 (March 1999), LR 25:

Chapter 11. Generators

§1109. Pre-Transport Requirements

* * *

[See Prior Text in A - E.1.a.iii.(b)]

iv. in containment buildings and the generator complies with LAC 33:V.Chapter 43.Subchapter T by having placed his Louisiana professional engineer certification that the building complies with the design standards specified in LAC 33:V.4703 in the facility's operating record no later than 60 days after the date of initial operation of the unit. After February 18, 1993, Louisiana PE certification will be required prior to operation of the unit. The owner or operator shall maintain the following records at the facility:

* * *

[See Prior Text in E.1.a.iv.(a) - 7.d.iv.(c).(v)]

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2180 et seq.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Solid and Hazardous Waste, Hazardous Waste Division, LR 10:200 (March 1984), amended LR 10:496 (July 1984), LR 13:433 (August 1987), LR 16:47 (January 1990), LR 16:220 (March 1990), LR 16:1057 (December 1990), LR 17:658 (July 1991), LR 18:1256 (November 1992), LR 18:1375 (December 1992), LR 20:1000 (September 1994), LR 20:1109 (October 1994), LR 21:266 (March 1995), amended by the Office of Waste Services, Hazardous Waste Division, LR 24:1693 (September 1998), LR 25:437 (March 1999), LR 25:

Chapter 30. Hazardous Waste Burned in Boilers and Industrial Furnaces

§3001. Applicability

* * *

[See Prior Text in A - B.2]

3. hazardous wastes that are exempt from regulation under LAC 33:V.105.D and 4105.B.10-12, and hazardous wastes that are subject to the special requirements for small quantity generators under LAC 33:V.Chapter 39; and

* * *

[See Prior Text in B.4 - F.1.c]

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2180 et seq.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Solid and Hazardous Waste, Hazardous Waste Division, LR 18:1375 (December 1992), amended LR 21:266 (March 1995), LR 21:944 (September 1995), LR 22:821 (September 1996), LR 22:835 (September 1996), LR 25:

Chapter 43. Interim Status

§4301. Purpose and Applicability

* * *

[See Prior Text in A - C.13.c]

- d. lamps as described in LAC 33:V.3809; and
- e. antifreeze as described in LAC 33:V.3811;

* * *

[See Prior Text in C.14 - I]

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2180 et seq.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Solid and Hazardous Waste, Hazardous Waste Division, LR 10:200 (March 1984), amended LR 10:496 (July 1984), LR 13:84 (February 1987), LR 16:220 (March 1990), LR 17:362 (April 1991), LR 18:1256 (November 1992), LR 20:1000 (September 1994), LR 21:266 (March 1995), amended by the Office of Waste Services, Hazardous Waste Division, LR 24:1743 (September 1998), LR 25:482 (March 1999), LR 25:

A public hearing will be held on June 24, 1999, at 1:30 p.m. in the Maynard Ketcham Building, Room 326, 7290 Bluebonnet Boulevard, Baton Rouge, LA 70810. Interested persons are invited to attend and submit oral comments on the proposed amendments. Should individuals with a disability need an accommodation in order to participate, contact Patsy Deaville at the address given below or at (225) 765-0399.

All interested persons are invited to submit written comments on the proposed regulations. Commentors should reference this proposed regulation by HW069. Such comments must be received no later than July 1, 1999, at 4:30 p.m., and should be sent to Patsy Deaville, Investigations and Regulation Development Division, Box 82282, Baton Rouge, LA 70884 or to fax (225) 765-0486. Copies of this proposed regulation can be purchased at the above referenced address. Contact the Investigations and Regulation Development Division at (225) 765-0399 for pricing information. Check or money order is required in advance for each copy of HW069.

This proposed regulation is available for inspection at the following DEQ office locations from 8 a.m. until 4:30 p.m.: 7290 Bluebonnet Boulevard, Fourth Floor, Baton Rouge, LA 70810; 804 Thirty-first Street, Monroe, LA 71203; State Office Building, 1525 Fairfield Avenue, Shreveport, LA

71101; 3519 Patrick Street, Lake Charles, LA 70605; 3501 Chateau Boulevard, West Wing, Kenner, LA 70065; 100 Asma Boulevard, Suite 151, Lafayette, LA 70508; 104 Lococo Drive, Raceland, LA 70394 or on the Internet at <http://www.deq.state.la.us/olaie/irdd/olaeregs.htm>.

James H. Brent, Ph.D.
Assistant Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES
RULE TITLE: EPA Authorization Package**

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)
No significant costs to state or local governments are anticipated as a result of the implementation of this rule.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)
There should be no significant effect on revenue collections of state or local governments as a result of the implementation of this rule.
- III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)
There should be no effect and/or economic benefits to directly affected persons or non-governmental groups.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)
Competition and employment is not expected to be significantly affected as a result of the implementation of this rule.

Hall Bohlinger
Deputy Secretary
9905#038

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Office of the Governor
Division of Administration
Office of Telecommunications Management**

Telecommunications
(LAC 4:IX.Chapters 1-21)

The Division of Administration, Office of Telecommunications Management hereby gives notice in accordance with R.S. 49:950 et seq., and R.S. 39:140-143 that it intends to amend LAC 4:IX relative to telecommunications.

**Title 4
ADMINISTRATION
Part IX. Telecommunications**

**Chapter 1. General Provisions
§101. Title**

These rules shall be known as the administrative rules and regulations of the Office of Telecommunications Management.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§103. Authority

These rules are adopted pursuant to R.S. 39:140-143 and R.S. 39:1751-1755.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§105. Purpose

The purpose is to establish overall policy and define areas of responsibility for the provision and management of coordinated telecommunications services to support the programs of the Executive Branch of State government.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§107. Scope

These rules apply to the Executive Branch of State government as defined in R.S. 36:3(1) and any and all entities, state or non-state, approved to utilize state telecommunications systems and telecommunications services. All groups may be referred to collectively hereafter as agency or agencies.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 3. State Agencies' Responsibilities

§301. General

All agencies must comply with the requirements and standards stated in these rules and regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§303. Telecommunications Coordinator

All agencies shall appoint one or more representatives to be designated as the agency Telecommunications Coordinator(s). The Telecommunications Coordinator shall be recognized by the Office of Telecommunications Management as the agency's authorized representative for approving and coordinating telecommunications activity. Communications concerning policy and operating

procedures will be directed to agencies through their respective Telecommunications Coordinator(s).

Training designed to instruct the Telecommunications Coordinator on the procedural aspects of interfacing with the Office of Telecommunications Management and the design and operation of various telecommunications systems will be furnished by the Office of Telecommunications Management upon request by agencies.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§305. Telecommunications Problem Reporting

It is the agency's responsibility to report all repair problems to the Office of Telecommunications Management.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 5. Approval of Non-State Entity Use of State Telecommunications Services

§501. General

Non-state entities may be allowed to use state telecommunications services under particular circumstances.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§503. Approval Criteria

A. When one of the following criteria is met and upon approval of the Office of Telecommunications Management, non-state entities may use state telecommunications services. The non-state entities shall be either:

1. political subdivisions created by statute;
2. state credit unions;
3. Blind Services approved operators in state buildings;
4. the working press with offices in the State Capitol;
5. private educational institutions in the State of Louisiana with classes from kindergarten through 12th grade, and colleges and universities, when requesting access to the LaNet Wide Area Network for educational and/or research purposes; or

6. any non-state entity working in cooperation with the Louisiana Department of Labor's efforts to comply with the federal Workforce Investment Act of 1998 (Public Law 105-220).

B. A non-state entity may be required to supply documentation or evidence of its creation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§505. Charges

The non-state entities being allowed to use the state provided services will be charged the same rates as state agencies and must pay for the service within thirty days of receipt of the Office of Telecommunications Management invoice.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§507. Availability and Usage Constraints

The use of the state services by the non-state entities shall not preclude any state agency from use of those services. The non-state entity's use of these services should not result in any additional unreimbursed cost to the state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 7. Telecommunications Service Standards

§701. General

The State of Louisiana will utilize a statewide, consolidated concept of providing telecommunications services which are most cost effective and best meet the overall needs of the state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§703. Local Service Standards

The Office of Telecommunications Management will determine the means of providing telecommunications services to be used within a given metropolitan area. The selection of the service will be based on the best overall service alternative for that area. Agencies will be provided service through this metropolitan service vehicle.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§705. Long Distance Network Service Standards

The Office of Telecommunications Management will determine the means for providing long distance telephone

service for each individual metropolitan area. State agencies will be provided service through this metropolitan service vehicle.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 9. Telecommunications Use

§901. General

All agencies are responsible for devising, implementing, and enforcing cost controls related to telephone usage and informing employees of such policies to preclude unnecessary and unauthorized charges.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§903. Authorized Use

State telecommunications systems and telecommunications services are provided for the conduct of state business.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§ 905. Receiving Collect Telephone Calls

Collect calls shall not be accepted on state telephones.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§907. Calls Billed As a Third Number Call to State Telephone Numbers

Third number calls billed to state telephones are prohibited.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§909. LINC Management Reporting

LINC management reporting shall be provided by the Office of Telecommunications Management to agency management when available to assist in monitoring and controlling the usage of long distance service.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§911. Agency Usage Policy

Agency policy concerning telephone usage must be consistent with this Chapter and should be appropriate for the particular needs of each agency.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 11. Telecommunications Service Requests

§1101. Submission

All agency requests for telecommunications systems and/or telecommunications services must be submitted on the appropriate forms to the Office of Telecommunications Management.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 13. Telecommunications Charges

§1301. Charges for Services

The specific charges for each line of service provided will be published in the Office of Telecommunications Management's Catalog of Services.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 15. Directory Requirements

§1501. Responsibilities

The Office of Telecommunications Management will be responsible for the coordination and publication of all directory information for state telephone users. Respective agency Telecommunications Coordinators will be responsible for initiating directory listing changes and for verifying accuracy prior to publication.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 17. Telecommunications Procurement

§1701. Tariffs

When determined by the Office of Telecommunications Management to be in the best interest of the state and when available, general subscriber tariffs and related special billing assemblies may be used.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§1703. Contract Contents

The request for proposals, or the invitation to bid, and its addenda with the vendor's response shall be incorporated into the final contract consummated with that vendor. In the event of ambiguity, the order of precedence will be the contract, the request for proposals or the invitation to bid, and the vendor's response.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§1705. Multi-Year Contract Use

Multi-year contract use must be justified and approved in writing. Such justification shall identify and consider all cost factors relevant to that contract. The multi-year method of contracting may be used in, but shall not be limited to, the following situations:

- A. utility-type contracts; or
- B. when it has been determined that vendors could provide lower unit prices over a longer period of time due to increased volume or lower production costs; or
- C. when the cost and burden of contract solicitation, award, and administration of the procurement may be reduced; or
- D. when the cost and burden of contract conversion or service implementation are excessive; or
- E. when the Commissioner of Administration deems the use of a multi-year contract to be in the best interest of the state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 19. Vendor Responsibilities

§1901. General

All vendor contact for sales and service of telecommunications systems and telecommunications services shall be with the Office of Telecommunications Management and not directly with agencies.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§1903. Bid Notification

It is each vendor's responsibility to notify the State Purchasing Office of its desire to receive notification of state telecommunications bids.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

§1905. Telecommunications Contracts

Vendors shall not enter into any contract with any state agency for telecommunications systems or telecommunications services without prior written approval from the Office of Telecommunications Management.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Chapter 21. Waiver of Regulations

§2101. Commissioner's Authority to Waive Regulations

The Commissioner of Administration may waive in writing, upon the recommendation of the Office of Telecommunications Management, any provision in these rules when the best interest of the state will be served.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:140, R.S. 39:141, R.S. 39:143, R.S. 39:1751, R.S. 39:1752, R.S. 39:1753, R.S. 39:1754, and R.S. 39:1755.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Telecommunications Management, LR 6:722 (December 1980), repromulgated LR 10:80 (February 1984), LR 17:267 (March 1991), LR 25:

Interested persons may direct inquiries until 5:00 p.m., June 10, 1999, to Nino Salvaggio, Assistant Director, Office of Telecommunications Management, P.O. Box 94280, Baton Rouge, LA 70804-9280, telephone (225) 342-7701.

Joseph A. Lanier
Director

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES
RULE TITLE: Telecommunications**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

503.A.5~~6~~ OTM will add approximately 75 LaNet sites as a result of these changes. The average monthly cost for a LaNet

connection is \$1,140, and the average discount rate is 75% from the Universal Service fund.

Calculation

75 sites x \$1,140 x 12 months=\$1,026,000

\$1,026,000 x 25%=\$256,000

503.A.6~~6~~ There is no way to estimate the effect on OTM revenue as this is a permissive rule change. We have no way of knowing which offices will choose to use our services or which services they will use.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

503.A.5~~6~~ OTM will add approximately 75 LaNet sites as a result of these changes. The average monthly cost for a LaNet connection is \$1,140, and the average discount rate is 75% from the Universal Service Fund.

Calculation

75 sites x \$1,140 x 12 months=\$1,026,000

\$1,026,000 x 25%=\$256,000

503.A.6~~6~~ There is no way to estimate the effect on OTM revenue as this is a permissive rule change. We have no way of knowing which offices will choose to use our services or which services they will use.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

503.A.5 and 503.A.6 allow non-state entities to purchase services through OTM in particular circumstances. This participation will be voluntary and entered into if the non-state entity determines that the service provided by OTM is more economical than other services available. There is no way for OTM to determine which non-state entities will participate or what the cost savings will be as each participating entity should realize a different savings.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

No effect on competition or employment is expected.

Nino Salvaggio
Assistant Director
Management and Finance
9905#061

H. Gordon Monk
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

**Office of the Governor
Office of Elderly Affairs**

GOEA Policy Manual~~l~~ Parish Councils on Aging (PCOAs)
(LAC 4:VII.Chapter 11)

In accordance with Revised Statutes 49:950 et seq., the Administrative Procedure Act, notice is hereby given that the Governor's Office of Elderly Affairs (GOEA) intends to amend the GOEA Policy Manual effective August 20, 1999. The purpose of the proposed rule change is to update existing policies governing parish councils on aging (PCOAs). State law provides that there shall be one PCOA in each of the sixty-four parishes in Louisiana. The PCOAs receive an annual appropriation of state funds through the office of elderly affairs based upon the number of parish residents are sixty or over. This rule complies with R.S. 46:932, 935,936 and 1601-1606.

Title 4
ADMINISTRATION
Part VII. Governor's Office

Chapter 11. Elderly Affairs
Subchapter C. Councils on Aging

§1151. Establishment of Parish Councils on Aging

A. Issuance of Charters. Charters for the establishment of parish voluntary councils on aging (hereafter referred to as **A**council on aging[®]) are issued by the secretary of state upon the approval of applications by the Governor's Office of Elderly Affairs (GOEA) pursuant to LA R.S. 46:1602. Immediately upon issuance of the charter by the secretary of state, each council on aging is authorized to receive public funds from any governmental or political subdivision. Such funds shall be subject to audit by GOEA and the legislative auditor, or his duly appointed representative.

B. Governance

1. The functions of each council on aging shall comply with the objectives of state laws and shall be governed by the policies and regulations established by the Office of Elderly Affairs. Copies of such policies and regulations shall be furnished to each council on aging by GOEA prior to their effective date.

2. Each council on aging shall be voluntary as to its membership and as to all plans, programs and activities, and each shall be non-profit making and politically non-partisan and non-factional and shall be non-sectarian.

3. When GOEA determines, as a result of monitoring activities or reports from any source, that a council on aging, through action or inaction of its governing body, is jeopardizing the welfare of the citizens of that parish, or is in violation of the requirements of this policy manual or other state regulations, the following steps shall be taken:

a. GOEA shall require a meeting with the governing body to discuss the issues in question.

b. GOEA may require additional written information and/or records from the Council on aging.

c. GOEA shall issue written guidelines and/or recommendations for the council on aging in order to remedy the issues under question.

d. GOEA shall provide technical assistance, as requested by the council on aging and deemed appropriate by GOEA, in order to facilitate resolution of those issues.

e. In the event that a council on aging refuses to follow GOEA's guidelines and/or recommendations to resolve said issues, GOEA may institute procedures to revoke that Council on aging's charter.

C. Duties and Functions

1. Each council on aging shall:

a. collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people in the parish;

b. keep abreast of the latest developments in these fields of activity throughout the state and nation;

c. interpret its findings to the citizens of the parish;

d. provide for a mutual exchange of ideas and information on the parish and state level;

e. conduct public meetings to make recommendations for needed improvements and additional resources;

f. promote the welfare of aging people when requested to do so;

g. coordinate and monitor the services of other local agencies serving the aging people of the parish;

h. assist and cooperate with the Governor's Office of Elderly Affairs; and

i. make recommendations relevant to the planning and delivery of services to the elderly of the parish.

2. Each council on aging may appoint subcommittees to undertake such special studies as it authorizes and may appoint to such subcommittees persons qualified in any field of activity relating to the welfare of aging people.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:87.2(E), 46:932(8), 46:1601, 46:1602, 46:1605.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 25:

§1153. Organization

A. General Membership

1. Membership in the council on aging shall be open, without restriction, to residents of the parish who have reached the age of majority. Membership applications shall be made available at the council on aging office. Membership fees shall not be charged.

2. Each council on aging shall conduct an annual membership drive. The membership rolls shall be closed two weeks prior to the annual meeting required in Subsection 1161.C of this manual.

3. A current list of the general membership shall be maintained at the council on aging office.

B. Council on Aging Board of Directors

1. The board of directors (the Board) shall be composed of no less than eleven members and no more than twenty-one with provisions in the by-laws for staggered terms of office. By-laws shall specify the exact number of board members. If at any time the board membership is less than eleven members, the board shall not be considered a legally constituted board. The remaining members shall fill the vacancy in accordance with §1153.B.4.

2. Members of the Board shall be elected by the general membership of the council on aging. Ballots shall be prepared from the list of nominees submitted by the Board Development Committee. The presiding officer shall allow ample time for nominations and shall recognize all nominations, including those from the floor, before declaring the nominations closed. All nominations from the floor shall be added to the ballot. Voting shall be conducted by secret ballot. Ballots shall be counted in full view of the general membership.

3. Members of the Board shall be elected for terms of three years with approximately one-third elected each year. The word "year" is defined as the period from the date of the annual meeting of one year to the date of the annual meeting of the following year, inclusive. Each Board member shall serve until a replacement is appointed or his/her successor is elected.

4. Whenever a position on the Board becomes vacant during the year, the Board shall elect a temporary replacement within sixty days. The replacement shall serve until the next annual meeting, at which time a successor shall be elected by the membership to fill the vacancy for the remainder of the unexpired term. A person elected to fill an

unexpired term for at least eighteen months shall be considered to have occupied the position for a full term.

5. General Requirements

a. There shall be parish wide representation on the Board.

b. Members of the Board must have the knowledge and expertise in the areas of business and financial management needed to manage the affairs of the council on aging.

c. Members of the Board shall reside in the parish throughout their tenure.

d. Not more than one-half of the board membership may be elected officials.

6. Restrictions

a. Any member of the Board who shall have served as such for two consecutive full terms shall be ineligible for re-election for a period of one (1) year immediately following the expiration of such second full term.

b. Former council on aging staff members shall not serve on the Board of the same agency for a period of two (2) years immediately following separation from employment.

c. Former council on aging board members shall not serve as paid agency staff of the same agency for a period of two (2) years immediately following separation from the Board.

d. Except for the staff director, who may be an ex-officio member with the a voice in discussions but with no vote, paid staff members are prohibited from serving on the Board.

e. Immediate family members shall not serve on the Board at the same time. Immediate family is defined as follows: Husband, wife, father, mother, sister, brother, son, daughter, grandmother, grandfather, father-in-law, mother-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law.

C. Offices of the Board of Directors

1. Officers of the board of directors shall be elected by the board members in accordance with the Open Meetings Law.

a. The minimum offices of the Board shall be president; vice-president; and secretary/treasurer; or secretary and treasurer. The duties of each office are defined below:

i. *President* The President shall preside at all meetings of the Board and shall perform such other duties as may be assigned by the Board.

ii. *Vice President* at the request of the President, the Vice President shall perform the duties and exercise the powers of the President or in his/her absence or disability. The Vice President shall perform such duties as may be assigned by the Board.

iii. The *Secretary* shall have general charge over all the Board's records. The Secretary shall keep complete minutes of all meetings of the Board and Executive Committee. The Secretary shall serve all notices required by the corporate laws of the State of Louisiana and the by-laws of the council on aging. The Secretary shall prepare and submit the Annual Report required in §1161.D of this manual. The Secretary shall be responsible for maintaining the official membership roll of the council on aging. The Secretary shall have the usual powers and duties of a

Secretary and shall perform such other duties as may be assigned by the Board.

iv. The *Treasurer* shall have the usual powers and duties of a Treasurer. The Treasurer shall be responsible for all funds, property and securities of the Board subject to State and Federal law and/or regulations. The Treasurer shall present a quarterly financial statement to the Board to include a comparison of income and expenditures with respect to the annual budget. The Treasurer must properly account for and report to the Board annually regarding all assets of the council on aging. The Treasurer shall prepare and submit such reports as are required by law. The Treasurer shall perform such other duties as may be assigned by the Board.

b. The by-laws may provide for additional officers, and must spell out the duties and responsibilities of all additional officers.

2. Each officer shall be elected by the members of the Board at the first regular meeting of the Board. The first regular meeting of the Board shall be held immediately following adjournment of the Annual Meeting.

3. The term of office for each office shall be one year. Officers may serve no more than two consecutive terms in the same office. Terms shall begin when officers are elected.

4. The Board shall elect from among its members, an officer to fill any office vacated between elections within thirty days, or at its next scheduled meeting, whichever comes first. The officer so elected shall serve for the remainder of the unexpired term. An unexpired term so filled shall not be considered a term of office as defined in Paragraph (3) of this Subsection.

D. Committees

1. Standing Committees

a. The Board shall establish the following standing committees: Executive Committee, Board Development Committee, Personnel Committee and Finance Committee. Elections and appointments shall be done annually. The members of the standing committees shall be named at the first meeting of the Board following the annual meeting.

b. To the extent feasible, all members of the Board shall be appointed to at least one standing committee.

c. The duties and responsibilities of standing committees established by the Board shall include but not be limited to the following:

i. The *Executive Committee* shall be composed of the Officers and such other persons as the Board designates. The Executive Committee may have the authority to make decisions as delegated by the Board. Recommendations developed by the Executive Committee shall be brought before the full Board for its actions at the next meeting of the Board.

ii. The *Board Development Committee* shall be elected by the Board and shall elect its own Chairperson. This committee shall nominate temporary replacements to be elected by the Board to fill vacancies on the Board; present a slate of nominees for the Board to be voted upon by the general membership at the annual meeting; and develop a slate of nominees for officers to be presented to the Board at the first meeting following the annual meeting. Biographical information will be obtained by this committee on each individual being considered for nomination.

iii. The *Personnel Committee* shall be appointed by the Board President. This committee shall interview and recommend candidates for the executive director's position; and recommend salaries and adjustments for the executive director. It shall develop personnel policies which ensure compliance with all pertinent federal and state laws and regulations pertaining to labor standards including employee rights, compensation, insurance, retirement, social security and other benefits. It shall hear appeals of disciplinary actions by the executive director. Its recommendations shall be presented to the full Board for approval.

iv. The *Finance Committee* shall consist of the Treasurer and members appointed by the Board President. The Treasurer shall serve as chairperson. This committee shall develop fund raising activities; prepare and submit the budget for the following fiscal year for approval by the Board; and submit financial reports and amendments to the budget for the current fiscal year.

2. Ad hoc Committees. The Board may designate such other committees as it deems necessary. Members shall be appointed by the Board President. Ad hoc committees shall meet at the call of their Chairperson and shall submit a written report to the Board at the end of their assignment.

E. Removal of Board Member or Officer

1. Reasons for Removal. Any Board member or officer may be removed from the Board, after a hearing, for the following reasons:

- i. failure to perform duties;
- ii. conduct which is injurious to the council on aging or its purposes;
- iii. absence from two (2) consecutive regular meetings of the Board without a valid reason. The secretary shall mail a letter of notification after a member has missed two (2) regular meetings.

2. Notice of Removal. Any officer or member proposed to be removed shall be entitled to at least five (5) days notice in writing, of the meeting at which such removal is to be voted upon. Such notice shall be sent by registered mail, and shall include the reason(s) for the proposed removal. The officer or member proposed to be removed shall be entitled to appear and be heard at such meeting, and may present such witnesses and make such defense as he/she deems proper.

3. Process of Removal. Any officer or member may be removed from office by the affirmative vote of two-thirds (2/3) of the board members present at any regular meeting or special meeting called for that purpose. The Board may declare a seat vacant or void the election of a board member.

AUTHORITY NOTE: Promulgated in accordance with R.S. 46:932(8), 46:1602, 46:1603.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 25:

§1155. Council on Aging Board of Directors

A. Responsibilities of the Board of Directors

1. The Board shall assure the availability of funds required for the council on aging to function. Additionally, the Board shall be responsible for accountability of expenditures of funds.

2. The Board shall establish policies governing all aspects of the council on aging's operations. These policies shall be in compliance with state and federal laws and regulations. Additionally, they shall comply with the policies

established by the Governor's Office of Elderly Affairs and shall be maintained as a matter of record. The board shall be responsible for enforcement of these policies.

3. The Board shall employ a paid full-time executive director, who shall be qualified by education and/or experience to perform duties which include, but are not limited to the following:

- a. planning and program development;
- b. evaluation of programs and operation;
- c. resource development and fund raising;
- d. fiscal management and budgeting;
- e. supervision of day-to-day operation;
- f. community relations;
- g. personnel management; and
- h. training and staff development.

4. The Board shall delegate the responsibilities listed in Sections 1157 and 1159 of this manual to the executive director. The executive director shall perform his/her duties in accordance with policies established by the Board. The executive director shall review and report to the Board and others, as appropriate, on programs, operations, facilities, equipment, and emergency arrangements.

5. The Board shall establish written procedures for hearing employee grievances. These procedures shall provide for an appeal of disciplinary actions by the executive director.

6. The Board shall ensure that any employee who runs for public office takes a leave of absence for the period of time (s)he is actively involved in the campaign. An employee shall be considered actively involved in the campaign from the time (s)he qualifies as a candidate to the time the votes are tabulated. If elected, the employee shall either resign or be terminated from employment.

7. The Board shall ensure that immediate family members are not employed by the council on aging in direct supervisory relationships. Immediate family is defined as follows: Husband, wife, father, mother, sister, brother, son, daughter, grandmother, grandfather, father-in-law, mother-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law.

B. Meetings of the Board of Directors

1. Regular Meetings. Regular meetings of the Board shall be held at least quarterly according to a schedule determined by the Board.

2. Special Meetings. Special meetings may be called by the Chairperson; the Executive Committee; one-third (1/3) of the board members; or twenty-five credentialized members of the council on aging. The purpose of the meeting shall be stated in the request. Except in the cases of emergency, at least twenty-four (24) hours notice shall be given.

3. Parliamentary Authority. All Board meetings shall be conducted in accordance with the current edition of Robert's Rules of Order, provided the rules are not inconsistent with these policies or statutory regulation.

4. Open Meetings Law. Meetings of the council on aging shall be conducted in accordance with R.S. 42:1 et seq., the Open Meetings Law.

5. Notice. Notice of board meetings shall be given by regular mail to each member at least five (5) days before the date designated for such meetings. The notice shall specify

the place, date, time and business to be brought before the Board.

6. Quorum

a. The presence of a simple majority of the number of board members stated in the by-laws shall be necessary to constitute a quorum at any meeting of the full Board to transact business. An act of a simple majority of the Directors attending a meeting when a quorum is present shall be an act of the Board.

b. The quorum for conducting business by all committees shall be a simple majority of the membership of each committee. The passage of any motion or resolution shall be by simple majority voice vote of those present.

7. Voting Procedures. Voting by the Board shall be conducted by voice vote of "yea" or "nay." No member will vote by proxy. Each member is to have one (1) vote. All votes made by members of the Board shall be recorded by member's name in the minutes of the meeting and as required by the Louisiana Open Meetings Law (R.S. 42:5 et seq.).

AUTHORITY NOTE: Promulgated in accordance with R.S.46:932(8), 46:1605.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 25:

§1157. Administrative and Personnel Responsibilities

A. Administrative Responsibilities

1. Administrative records and reports shall be established and maintained on the council on aging's total operation to satisfy legal requirements and for use as a management tool. These shall include:

- a. written records of all policies set forth by the governing body;
- b. minutes of meetings of the Board;
- c. minutes of committee meetings, including records of major decisions;
- d. personnel records;
- e. fiscal records;
- f. correspondence;
- g. safety, fire inspection, public health inspection, and related reports;
- h. accident reports and procedures;
- i. statistical information;
- j. annual reports, reflecting fiscal and program activity of the council on aging; and
- k. historical records, clippings, and other documents.

3. Administrative records and reports shall be reviewed periodically by appropriate staff to evaluate their adequacy and continued usefulness.

4. An appropriate policy, consistent with administrative and legal requirements, should be established for retaining records and reports.

B. Personnel Responsibilities

1. Personnel Management

a. Staffing. A council on aging shall have a staffing pattern that clearly defines the positions necessary to implement the organization's goals and objectives and specifies appropriate relationships among all levels of administration and supervision.

b. Staff Supervision

i. A council on aging shall have a formal system of staff supervision for paid and volunteer personnel to help

improve their performance and develop their abilities. Supervision shall include regular individual conferences and staff meetings.

ii. A council on aging shall have a development program for paid and volunteer staff to encourage participation in educational and training opportunities that will enhance their skills and job performance.

c. Staff Training

i. Councils on Aging shall provide training for staff and volunteers who are assigned to record keeping that includes:

(a) information about the council on aging's system of record keeping (for example, types of records and reports and how they are used);

(b) training for computer-based information systems, if used by the council on aging; and

(c) instruction about procedures to ensure confidentiality of participants and staff.

2. Personnel Policies, Practices and Procedures

a. Personnel policies shall be written in a handbook or other suitable form and provided to staff, board members, and, as appropriate, other agencies. Procedures and criteria in the following areas should be included as applicable:

- i. recruitment, hiring, probation, dismissal;
- ii. insurance;
- iii. leave, vacation, holidays, other benefits;
- iv. retirement;
- v. grievances and disciplinary actions;
- vi. performance appraisal and promotion;
- vii. salary ranges and increases ;
- viii. staff development and training;
- ix. channels for staff communication with management;
- x. family leave, if agency meets Family Medical Leave Act (FMLA) requirements;
- xi. protection from discrimination based on age, race, sex, sexual preference, disability, and religious preference;
- xii. protection from sexual harassment; and
- xiii. Equal Employment Opportunity.

b. Hiring practices shall be consistent with requirements of government laws and regulations.

c. Job Descriptions

i. There shall be a written job description for each staff and volunteer position.

ii. Each job description shall state at a minimum:

- (a) position title;
- (b) qualifications;
- (c) duties and responsibilities;
- (d) scope of authority; and
- (e) lines of communication for supervision and reporting.

iii. Each staff member and volunteer shall be given a copy of his or her job description, and it must be discussed at the time of employment or job assignment.

iv. Management shall annually review each job description with staff and revise it as appropriate.

d. An employee record shall be maintained, and should contain at least the following:

i. application for employment, including a résumé;

- ii. letters of reference;
 - iii. job description document;
 - iv. letters of employment;
 - v. record of compensation, promotion, and salary adjustments;
 - vi. evaluation and commendations;
 - vii. disciplinary actions; and
 - viii. Correspondence on personnel matters.
- e. Each employee's performance shall be evaluated regularly, according to an established procedure. Performance appraisals should include:
- i. a written performance appraisal based on objective and job-related criteria;
 - ii. review of the appraisal in a face-to-face interview; and
 - iii. opportunity for written dissent to be part of the personnel record.

AUTHORITY NOTE: Promulgated in accordance with R.S. 46:932(8), 46:1605.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 25:

§1159. Fiscal Responsibility

A. Fiscal Planning

1. A council on aging's financial operation shall be based on sound planning and prudent management of all resources.

2. The budget shall specify and allocate all anticipated income, from all sources, and all projected expenditures related to services regardless of the funding source.

3. Procedures shall be established and records kept so that a cost analysis of services and activities can be made and the results used in the planning process and in evaluation.

B. Accountability and Reporting

1. Regular fiscal reports disclosing the council on aging's full financial condition shall be prepared. These reports shall include balance sheets, statements of income and expense, and cumulative and comparative budgets. Fiscal reports shall be submitted to the Governor's Office of Elderly Affairs(GOEA)and made available to the public on request.

2. The accounting records of the council on aging shall be audited annually within 180 days of Fiscal Year close by a Certified Auditor or Certified Public Accountant whose report shall be rendered to the Board and sent to GOEA as required.

3. The audit report shall be submitted to the Board and the executive director and made available to the public on request.

4. Reports related to income provided for special purposes (grants, contracts, special projects, etc.) shall be prepared and submitted to GOEA as required.

5. Each council on aging annually shall file with GOEA a financial statement for the previous year of all receipts and disbursements of funds allocated pursuant to R.S. 46:1606. Such statement shall be filed no later than thirty days after the close of each fiscal year.

C. Legal and Administrative Requirements

1. A council on aging's financial operation shall conform to all applicable legal and administrative requirements.

2. Budgeting, accounting, and financial reporting practices shall conform to generally accepted accounting principles.

3. Budgeting, accounting, and financial reporting practices shall conform to requirements of a council on aging's funding sources.

D. Management Procedures

1. Accurate and complete bookkeeping records shall be maintained.

2. A council on aging or its Board shall have an internal control system consisting of written procedures for:

- a. centralized cash control, including recording cash receipts and expenditures, depositing cash, separation of cash handling from record-keeping, and periodic checks of petty cash and other cash funds;

- b. purchasing, including an approval system for all purchases, names of persons authorized to contract or purchase for the council on aging, obtaining competitive price quotes or bids, and separation of ordering and receiving functions;

- c. storage and inventory control; and

- d. bonding of persons who handle the council on aging's funds.

E. Risk Protection

1. A council on aging shall have a risk protection program (insurance coverage) that:

- a. meets legal requirements;

- b. is adequate to preserve the council on aging's assets; and

- c. compensates claimants for reasonable claims.

2. Administrative staff or Board members shall procure information on insurance needs and available types of protection. Such information should be reviewed by the Board or the executive director at least annually.

3. A council on aging shall have insurance policies covering:

- a. loss from fire, theft, vandalism, and natural disasters;

- b. comprehensive general liability;

- c. vehicle insurance;

- d. liability for use of private automobiles by paid or volunteer staff on official business;

- e. workers=compensation; and

- g. liability for acts of volunteers.

F. Compensation. The members of the Board shall receive no per diem or other compensation for their services.

G. Travel Reimbursement. Members of the Board may receive reimbursement for in-parish travel for the purpose of attending meetings of the Board or any committee. At the option of the Board, Board members may receive reimbursement for out-of-parish travel conducted in connection with business of the Board. Such travel shall receive prior approval of the Board at a regularly scheduled meeting. State travel regulations shall govern the rate of reimbursement.

H. Bonding. A fidelity bond shall be maintained by the council on aging to cover all board officers, all board members authorized to sign checks, and all council on aging employees who handle cash or other funds administered by the Board.

I. Bank Accounts. The Board shall designate all authorized check signers through passage of a resolution. All checks issued by the council on aging shall have two signatures. At least one of the signatures shall be that of a duly authorized board member. The bookkeeper or person preparing the checks shall not be authorized to sign checks.

J. Ownership and Transfer of Property

1. Acquisition. Assets derived from funds administered by the council on aging are assets of the council on aging.

2. Disposition. In the event of the dissolution of the council on aging, no assets shall be used to benefit any private person, corporation, or group. GOEA shall ensure that such assets are transferred to a unit of government or to another private non-profit agency holding a 501(3)(c) Certificate.

AUTHORITY NOTE: Promulgated in accordance with R.S. 46:932(8), 46:1606.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 25:

§1161. General Requirements

A. Council on Aging By-laws

1. By-laws shall be reviewed and updated as necessary, at least every two years. A copy of each council on aging's by-laws or a Board of Directors By-laws Certification Form@ (HCBS1A02) shall be sent to the Governor's Office of Elderly Affairs by July thirty-first of each year. Revisions must be accompanied by a copy of the by-laws and GOEA Form HCBS1A02, AEvaluation of Board of Directors By-laws@ and forwarded to GOEA within 30 days of the revision.

2. By-laws shall contain procedures for amendment. Due notice of not less than 14 days shall be given to all board members and the public. Proposed changes in the by-laws shall not be voted on at the meeting at which they are presented for consideration, but shall be laid over to the next regularly scheduled board meeting unless a special meeting is called for that purpose.

B. Membership List. The secretary shall maintain a list of the Board members using GOEA Form HCBS1C01 and HCBS1C02. The list shall be available at all regular and special meetings of the membership. Only those members who have been identified as current members will be permitted to vote at meetings of the general membership.

C. Annual Meeting

1. There shall be an annual meeting of the general membership of the council on aging for the purpose of nominating and electing board members, receiving reports, and conducting any other business that may arise.

2. The Annual Meeting shall be advertised in the official parish journal twenty-one (21) days in advance. Notices shall be posted at all council on aging activity sites for at least seven (7) days immediately prior to the meeting.

3. Those members of the council on aging present at the annual meeting and who have been credentialed by the Secretary shall constitute a quorum.

D. Annual Report. An annual report shall be prepared at least two weeks prior to the annual meeting. It shall include a list of board members; a comprehensive financial statement that identifies all revenues, expenses, sources of funding and ending balances; a summary of activities conducted pursuant to Subsection 1151.C, including findings

and recommendations of subcommittees appointed by the council on aging during the most recently completed State fiscal year. Copies of the annual report shall be provided to GOEA. Copies shall be made available to the general public and may be provided at cost.

E. Ethics

1. Purchases

a. Funds administered by the council on aging shall be neither obligated nor expended for the purchase or rental of goods, space, or services if any of the following persons has a substantial interest in the purchase or rental unless it is documented that it is the cheapest or sole source, and the person who has an interest plays no part in making the decision:

- i. a board member;
- ii. the executive director or assistant director;
- iii. any employee who has responsibility for procurement of goods, space or services;
- iv. anyone who is a member of the immediate family of a board member or employee referred to above; or
- v. Any individual referred to above, who has a direct or indirect financial or executive interest in any contract or transaction with the council on aging shall disclose such interest to the Board.

b. The individual concerned shall not participate in discussion or vote relating to the subject of their interest.

2. Coercion. Neither the Board nor the executive director shall impose upon any employee or prospective employee of the council on aging any conditions of employment, either expressed or implied, which are not job related in terms of qualifications, duties and responsibilities.

AUTHORITY NOTE: Promulgated in accordance with R.S. 46:1601 and R.S. 46:1602.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office Elderly Affairs, LR 10:464 (June 1984), amended LR 11:1078 (November 1985), LR 25:

§1163. Dissolution of Councils on Aging

A. The Governor's Office of Elderly Affairs, with approval of the Governor, and upon review and recommendation of the Louisiana Executive Board on Aging, may revoke the charter of any council on aging for noncompliance with law, policies and/or regulations.

B. Any council on aging may be dissolved and surrender its charter upon a decision to do so reached by a majority vote of the total membership of the Board. Upon revocation or surrender of the charter, a council on aging shall cease to function under the provisions of Chapter 16 of the Louisiana Revised Statutes.

C. Within sixty days of the revocation or surrender of a charter, GOEA shall accept applications from any group of five or more citizens of the parish for a new charter. The application shall set forth the names, addresses, and occupations of the persons who are to serve as the charter members and such other information as required by Chapter 16 of the Louisiana Revised Statutes. Charter members in the council on aging shall consist of those persons who associate themselves together, and receive an original charter. Not more than half of the charter membership of a council on aging shall be elected officials.

D. Immediately upon receipt of an application, GOEA shall make such examination and investigation as it deems advisable. After the application has been approved by the

executive director of GOEA, it shall be transmitted to the secretary of state, who is authorized to issue a charter which thereafter shall constitute authority of the council on aging to function in the parish for which the charter was issued in accordance with the provisions of Chapter 16 of the Louisiana Revised Statutes.

E. Immediately upon issuance of the charter by the secretary of state, the newly established council on aging will be authorized to receive public funds from any governmental or political subdivision. Such funds shall be subject to audit by GOEA and the legislative auditor, or his duly appointed representative.

AUTHORITY NOTE: Promulgated in accordance with R.S. 46:1602 and R.S. 46:1606

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 10:464 (June 1984), amended LR 11:1078 (November 1985), LR 25:

§1165. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 46:1604.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 10:464 (June 1984), amended LR 11:1078 (November 1985), repealed LR 25:

§1167. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R. S. 46:1605 and R. S. 42:1119.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 10:464 (June 1984), amended LR 10:1023 (December 1984), LR 11:1078 (November 1985), LR 13:23 (January 1987), LR 13:569 (October 1987), LR 17:602 (June 1991), repealed LR 25:

§1169. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 46:1602.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 10:464 (June 1984), amended LR 11:1078 (November 1985), repealed LR 25:

Written comments may be addressed to Betty N. Johnson, HCBS Director, Governor's Office of Elderly Affairs, Box 80374, Baton Rouge, LA 70898-0374. A public hearing on this proposed rule will be held on June 29, 1999 at 412 North Fourth Street, Baton Rouge, LA 70802 at 10 a.m. All interested parties will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing. Written comments will be accepted until 5 p.m. June 29, 1999.

P.F. "Pete" Arceneaux, Jr.
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: GOEA Policy Manual[¶] Parish Councils on Aging

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that the proposed rule changes will not result in costs or savings to state or local governmental units. The proposed rule change will expand Subchapter C of the Governor's Office of Elderly Affairs (GOEA) Policy Manual, "Councils on Aging," to include specific information concerning the duties and functions of the governing bodies of Parish Councils on Aging (PCOAs), and the relationship between GOEA and PCOAs.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change will not affect revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The proposed rule change will affect Parish Councils on Aging. There will be no costs or economic benefits associated with this rule change.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change will not affect competition and employment in the public and private sectors.

P.F. "Pete" Arceneaux, Jr.
Executive Director
9905#048

Robert E. Hosse
General Government Section
Director
Legislative Fiscal Office

NOTICE OF INTENT

**Office of the Governor
Office of Elderly Affairs**

GOEA Policy Manual[¶] Purchasing
(LAC 4:VII.1201-1207)

In accordance with Revised Statutes 49:950 et seq., the Administrative Procedure Act, notice is hereby given that the Governor's Office of Elderly Affairs (GOEA) intends to amend Sections 1201 through 1207 of the GOEA Policy Manual effective August 20, 1999. The purpose of the proposed rule change is to update existing policies affecting service providers responsible for administering programs funded through GOEA. This rule complies with the Older Americans Act (Public Law 89-73), 45 CFR Part 1321, and LA R.S. 44:36.

Title 4

ADMINISTRATION

Part VII. Governor's Office

Chapter 11. Elderly Affairs

Subchapter D. Service Provider Responsibilities

§1201. Purchasing

A. Applicability

This Section covers all purchases of supplies, equipment or services by Governor's Office of Elderly Affairs (GOEA) recipients under allowable cost funding. Older Americans Act Title III service procurement and professional service procurement are not covered by this Section.

B. Governor's Office of Elderly Affairs Purchasing Policy

1. GOEA recipients shall make positive efforts to utilize small businesses and minority-owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts utilizing federal and state funds. Agencies shall maintain a list of small or minority-owned businesses to be contacted for potential purchases. The following organizations may be contacted for information:

a. Louisiana Office of Minority Business Enterprise;

- b. Louisiana Office of Women's Business Enterprise;
- c. Small Business Administration;
- d. Louisiana Minority Business Development Authority; (LAMBDA); and
- e. Louisiana Department of Commerce.

2. GOEA recipients are encouraged to utilize State contracts in making purchases. GOEA can provide a listing of State Purchasing personnel and telephone numbers to contact for price, vendor, and contract number information. Normally a local vendor will be listed on State contract. The use of State contract(s) eliminates all need for bidding and advertisements.

3. ...

C. Methods of Purchasing

1. Small Purchases. Any procurement not exceeding \$10,000 shall be made in accordance with the small purchase procedures in Subsection (D) of this Section. Those purchases defined in Paragraph (7) of Subsection (D) of this Section shall be deemed small purchases regardless of price. Procurement requirements shall not be artificially divided so as to constitute a small purchase under this Section.

2. Competitive Sealed Bidding. Purchases exceeding \$10,000 shall be by competitive sealed bidding.

D. Small Purchase Procedures

1. For purchases equal to or less than \$500, no competitive bidding is required.

2. Purchases over \$500 but less than or equal to \$2,000.00 shall be made by soliciting three (3) price quotations except in cases of emergency. (Emergencies shall be documented.) The quotations may be solicited by telephone, facsimile, or other means. Whenever possible, at least one (1) of the bona fide, qualified bidders shall be a certified economically disadvantaged business. Agency files shall document and list all solicited bidders and each bidder's contact person, summarize bid responses, indicate the awarded bid, and state the reason any lower bid was rejected. If no bid was solicited from a certified economically disadvantaged business, agency files shall contain a written explanation of why such a bid was not solicited. Agency files should also contain written confirmation of the bid from the successful bidder.

3. Purchases Over \$2,000 But Less Than or Equal To \$10,000

a. Purchases over \$2,000 but less than or equal to \$10,000, shall not be made except by soliciting price quotations either written or by facsimile from at least five (5) bona fide qualified bidders. Whenever possible, at least two (2) of the bona fide, qualified bidders shall be certified economically disadvantaged businesses. Solicitations shall allow for bids to be accepted for a minimum period of ten (10) calendar days.

b. All solicitations shall include the closing date, time, and all pertinent competitive specifications, including quantities, units of measure, packaging, delivery requirements, ship-to location, terms and conditions, and other information sufficient for a supplier to make an acceptable bid.

c. Precautionary measures shall be taken to safeguard the confidentiality of bid responses prior to the closing time for receipt of bids. No bid shall be evaluated using criteria not disclosed in the solicitation.

d. Agency files shall document and list all solicited bidders and each bidder's response, summarize bid responses, indicate the awarded bid, and state the reason why any lower bid was rejected. If fewer than two (2) bids were solicited from certified economically disadvantaged businesses, agency files shall contain a written explanation of why two (2) bids were not solicited.

4. No purchase where the estimated cost is over \$10,000 shall be made except by advertising in accordance with Subsection (E) of this Section and sending out written invitations for bids to at least eight bona fide qualified bidders.

5. Automotive, Machinery and Equipment Parts.

Repairs and parts associated with repairs for automobiles and machinery shall be obtained by either:

a. the use of an authorized dealer - a dealer certified by the manufacturer to perform maintenance on their equipment; or

b. obtaining competitive bids as indicated above.

6. Exceptions to minimum competitive requirements include:

a. federal government surplus property;

b. textbooks, newspapers, subscriptions, or foreign publications, and membership;

c. all public utilities;

d. all services provided by local government (Example: garbage pick-up); and

e. parcel services, including but not limited to Federal Express, United Parcel Service, Airborne Express, and Express Mail.

7. Quotations should be obtained from at least three bona fide, qualified bidders where possible in the purchase of perishable foods. When possible, at least one (1) of the bona fide, qualified bidders shall be a certified economically disadvantaged business.

E. Competitive Sealed Bidding Process

1. ...

2. Public Notice

a. Written public notice of the invitation for bids shall be given at least ten days prior to the date set forth therein for the opening of bids. If the amount of the purchase is ten thousand dollars (\$10,000) or more, such notice shall be mailed to persons in a position to furnish the supplies, services, or major repairs required, as shown by its records, and by advertising .

b. The advertisements or written notices shall contain general descriptions of the supplies, services, or major repairs for which bids are wanted and shall state:

i. The names and locations of the departments or institutions for which the purchases are to be made;

ii. Where and how specifications and quotation forms may be obtained; and

iii. The date and time not later than which bids must be received and will be opened.

c. Each advertisement shall be published in the official journal of parish government.

3. - 4. ...

5. Correction or Withdrawal of Bids. Patent errors in bids or errors in bids supported by clear and convincing evidence may be corrected, or bids may be withdrawn, if such correction or withdrawal does not prejudice other

bidders. Such actions may be taken only to the extent permitted under regulations.

6. Award.

a. ...

b. Responsive bidder means a person who has submitted a bid which conforms in all substantive respects to the invitation for bids, including the specifications set forth in the invitation.

c. The term **Responsive bidder** means a person who has the capability in all respects to perform the contract requirements and the integrity and reliability which will assure good faith performance.

F. Responsibility of Bidders and Offerors

1. ...

2. Whenever the board of directors proposes to disqualify the lowest bidder on bids of more than \$10,000, the board shall do the following:

a. give written notice of the proposed disqualification to such bidder and

include in the written notice all reasons for the proposed disqualification; and

b. give such bidder who is proposed to be disqualified, a reasonable opportunity to be heard at an informal hearing at which such bidder is afforded the opportunity to refute the reasons for the disqualification.

G. Specifications

1. - 2. ...

H. - K. ...

AUTHORITY NOTE: Promulgated in accordance with OAA Section 307(a)(7).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 10:464 (June 1984), amended LR 11:1078 (November 1985), amended LR 18:610 (June 1992), amended LR 25:

§1203. Applicable Laws and Standards

Service providers shall comply with all state licensing standards, all applicable accrediting standards, any applicable federal standards and all applicable state and federal laws as well as Governor's Office of Elderly Affairs policies, procedures, and rules.

AUTHORITY NOTE: Promulgated in accordance with 45 CFR 1321.9(e)(3).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 10:464 (June 1984), amended LR 11:1078 (November 1985), LR 25:

§1205. Records and Reports

Repealed. (Information will be relocated to Section 1189).

AUTHORITY NOTE: Promulgated in accordance with R.S. 44:36.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 10:464 (June 1984), amended LR 11:1078 (November 1985), LR 25:

§1207. Monitoring by GOEA

A. ...

B. GOEA shall be permitted to audit, examine and make excerpts from invoices, materials, payroll, records of personnel, conditions of employment and other data relating to matters covered by the subcontract.

C. ...

AUTHORITY NOTE: Promulgated in accordance with OAA Section 307(a)(8).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Elderly Affairs, LR 10:464 (June 1984), amended LR 11:1078 (November 1985), LR 25:

Written comments may be addressed to Betty N. Johnson, HCBS Director, Governor's Office of Elderly Affairs, Box 80374, Baton Rouge, LA 70898-0374. A public hearing on this proposed rule will be held on June 29, 1999 at 412 North Fourth Street, Baton Rouge, LA 70802 at 10 a.m. All interested parties will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing. Written comments will be accepted until 5 p.m. June 29, 1999.

P.F. "Pete" Arceneaux, Jr.
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: GOEA Policy Manual Purchasing

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

It is anticipated that the proposed rule changes will not result in costs or savings to state or local governmental units. This revision will require service providers funded through the Governor's Office of Elderly Affairs (GOEA) to comply with all applicable state laws and standards, and authorize GOEA to audit, examine and make excerpts from invoices, materials, payroll, records of personnel, conditions of employment and other data relating to matters covered by the contract or subcontract.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change will not effect revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The proposed rule change will affect service providers funded through the Office of Elderly Affairs. There will be no costs or economic benefits associated with this rule change.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change will not affect competition and employment in the public and private sectors.

P.F. "Pete" Arceneaux, Jr.
Executive Director
9905#047

Robert E. Hosse
General Government Section
Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Health and Hospitals
Board of Dentistry**

Advertising; Dental Assistant Duties; Local Anesthesia;
Notice of Hearing; Conduct of Hearings; Decisions;
HIV/HIB/HCB Authorization to Practice;
Air Abrasion Units; and Rule Making
(LAC 46:XXXIII.301, 502, 710, 907, 923,
929, 1210, 1305, 1401, and 1403)

In accordance with the applicable provisions of the Administrative Procedure Act, R.S. 49:950, et seq., the Dental Practice Act, R.S. 37:751, et seq., and particularly R.S. 37:760(8), notice is hereby given that the Department of Health and Hospitals, Board of Dentistry intends to

amend LAC 46:XXXIII.301, 502, 710, 907, 923, 929, 1210, 1305, 1401, and 1403. No preamble has been prepared.

Title 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part XXXIII. Dental Health Professions

Chapter 1. General Provisions

§301. Advertising and Soliciting by Dentists

A. - G. ...

H. Disclosure of Area of Practice

1. - 4. ...

5. When a licensee advertises any specialty which is not recognized by the board or the American Dental Association as a specialty, a disclaimer must be included in the advertisement stating that "This area of practice is not a recognized specialty of the Louisiana State Board of Dentistry or the American Dental Association."

I. - K. ...

AUTHORITY NOTE: Promulgated in accordance with R. S. 37:760(8).

HISTORICAL NOTE: Promulgated by the Department of Health and Human Resources, Board of Dentistry, December 1970, amended 1971, LR 13:179 (March 1987), LR 15:966 (November 1989), LR 18:739 (July 1992), LR 20:657 (June 1994), LR 21:567 (June 1995), LR 22:23 (January 1996), LR 22:1215 (December 1996), repromulgated LR 23:199 (February 1997), amended LR 23:1524 (November 1997), LR 25:

Chapter 5. Dental Assistants

§502. Authorized Duties of Expanded Duty Dental Assistants

A. A person licensed to practice dentistry in the State of Louisiana may delegate to any expanded duty dental assistant any chairside dental act that said dentist deems reasonable, using sound professional judgment. Such act must be performed properly and safely on the patient and must be reversible in nature. Furthermore, the act must be under the direct supervision of the treating dentist. However, a dentist may not delegate to an expanded duty dental assistant:

1. - 3. ...

4. Placement and removal of antimicrobial agents;

5. - 16. ...

B. - C. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 19:205 (February 1993), amended LR 21:569 (June 1995), LR 22:1217 (December 1996), LR 24:1115 (June 1998), LR 25:

Chapter 7. Dental Hygienists

§710. Administration of Local Anesthesia for Dental Purposes

A. - C. ...

D. The applicant must pass the board approved written examination in the administration of local anesthesia, depending upon the circumstances, if deemed necessary by the board.

E. - F. ...

G. A licensed dental hygienist who has demonstrated competence to the satisfaction of the board may qualify for a special endorsement and may undertake the administration of local anesthesia by:

1. Successfully completing the examination administered or approved by the board;

2. - 3. ...

H. - I. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 24:1292 (July 1998), amended LR 25:

Chapter 9. Formal Adjudication

§907. Notice of Hearing

A. ...

B. A written notice of the time, date, and place of the hearing regarding the matters set forth in the complaint shall be served upon the respondent by certified mail, return-receipt-requested first class mail, at the most current address for the respondent reflected in the official records of the board or by any other means authorized by the Administrative Procedure Act or the Louisiana Code of Civil Procedure. The notice shall include a statement of the legal authority and jurisdiction under which the hearing is to be held and shall be accompanied by a certified copy of the administrative complaint.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 19:1318 (October 1993), amended LR 22:25 (January 1996), LR 25:

§923. Conduct Of Hearing; Record

A. Unless otherwise requested by the respondent, adjudication hearings shall be conducted in closed session. The provisions of this paragraph do not apply to non-licensed persons named defendant(s) in a disciplinary administrative adjudication.

B. - F. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(4), (5), and (6).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 19:1319 (October 1993), amended LR 25:

§929. Decisions; Notice

A. ...

B. Upon issuance of a final decision, a certified copy thereof shall promptly be served upon respondent's counsel of record, or upon respondent personally in the absence of counsel, by first class mail. The day after mailing of the decision shall be considered as the date of service on the respondent.

AUTHORITY NOTE: Promulgated in accordance with R. S. 37:760 (4), (5), and (8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 19:1320 (October 1993), amended LR 25:

Chapter 12. Transmission Prevention of Hepatitis B Virus, Hepatitis C Virus, and Human Immunodeficiency Virus

§1210. Authorization To Practice; Expert Review Panel

A. - B. ...

C. Licensees who are HBV or HCV seropositive may be authorized to continue practice without the necessity of receiving authorization from an expert review panel. This determination will be made by the board's committee on HIV/HBV/HCB on a case-by-case determination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8) and R.S. 37:1747.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 18:743 (July 1992), amended LR 21:573 (June 1995), LR 25:

Chapter 13. Dental Laser and Air Abrasion Utilization §1305. Air Abrasion Units

Utilization of air abrasion units by licensed dental hygienists and dental auxiliaries is prohibited. However, this does not prevent the utilization of air polishing units by licensed dental hygienists.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 19:334 (March 1993), amended LR 25:

Chapter 14. Rulemaking, Declaratory Opinions and Rules

§1401. Scope of Chapter

The rules of this Chapter govern the board's processes to consider petitions from interested persons relative to the adoption, amendment, or repeal of a rule or the request for the issuance of a declaratory order or ruling in accordance with the Administrative Procedure Act.

AUTHORITY NOTE: Promulgated in accordance with R. S. 37:760 (8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 19:1322 (October 1993), amended LR 24:1117 (June 1998), LR 25:

§1403. Forms

A. All petitions, whether requesting the adoption, amendment, repeal, applicability of a rule, statutory provision, or order of the board or the request for the issuance of a declaratory order or ruling shall be submitted on plain white, letter size (8 1/2" by 11") bond; with margins of at least one inch on all sides and text double-spaced except as to quotations and other matter customarily single-spaced; shall bear the name, address, and phone number of the person requesting the action; and shall also state the complete and full name of each person(s), organization, or entity the requester represents along with sufficient information to identify and fully describe said person(s), organization, or entity.

B. The petition relative to rules shall fully and succinctly state the reasons for the requested action, and what results, if any, would be expected from such action, and an estimate of any expenditures or increases in revenue reasonably expected if said rule is adopted, amended, or repealed.

C. All petitions for declaratory orders or rulings shall set forth the specific statute or rule and the pertinent factual circumstances, as well as those reasons in support of or in opposition to the issue presented.

AUTHORITY NOTE: Promulgated in accordance with R. S. 37:760 (8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 19:1322 (October 1993), amended LR 24:1117 (June 1998), LR 25:

Interested persons may submit written comments on these proposed rules to C. Barry Ogden, Executive Director, Louisiana State Board of Dentistry, 1515 Poydras Street, Suite 1850, New Orleans, Louisiana 70112. Written comments must be submitted to and received by the Board within sixty days of this notice. A request pursuant to R.S.

49:953(A)(2) for oral presentation, argument, or public hearing must be made in writing and received by the Board within twenty days of the date of this notice.

C. Barry Ogden
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Advertising; Dental Assistant Duties; Local Anesthesia; Notice of Hearing; Conduct of Hearings; Decisions; HIV/HIB/HCB Authorization to Practice; Air Abrasion Units; and Rule Making

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The costs of implementing these rule changes will be negligible. Notification of these rule amendments will be provided to our licensees via publication of the Louisiana Dental Practice Act booklet which is budgeted for publication in the fall of 1999.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no effect on revenue collections by the Louisiana State Board of Dentistry or any other state or local governmental unit.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There will be no costs and/or economic benefit to directly affected persons or non-governmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There will be no effect on competition and employment.

C. Barry Ogden
Executive Director
9905#008

H. Gordon Monk
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Health and Hospitals
Board of Dentistry**

Fees for Dentists and Dental Hygienists
(LAC 46:XXXIII.415 and 419)

In accordance with the applicable provisions of the Administrative Procedure Act, R.S. 49:950, et seq., the Dental Practice Act, R.S. 37:751, et seq., particularly R.S. 37:760(8) and R.S. 37:795, notice is hereby given that the Department of Health and Hospitals, Board of Dentistry intends to amend LAC 46:XXXIII.415 and 419. No preamble has been prepared.

Title 46

**PROFESSIONAL AND OCCUPATIONAL
STANDARDS**

Part XXXIII. Dental Health Professions

Chapter 4. Fees and Costs

Subchapter C. Fees for Dentists

§415. Licenses, Permits, and Examinations (Dentists)

For processing applications for licensure, permits, and examinations, the following fees shall be payable in advance to the board:

1. - 3. ...	
4. Biennial renewal fee for dental license	\$400.00
5. Annual renewal fee for restricted dental license (excluding advanced education students and dental residents)	\$150.00
6. Replacement or duplicate dental license, certificate, temporary permit	\$50.00
7. Delinquency fee in addition to renewal fee for any dental license	\$250.00
8. Reinstatement of a license which gas been suspended, revoked or which has lapsed, revoked or which has lapsed by nonrenewable	\$500.00
9. Restricted dental license, advanced education students and dental residents:	
a. For period July-December 31	\$100.00
b. For each full year (January 1-December 31) thereafter	\$200.00
c. For period January 1-June 3	\$100.00
10. Dental application and licensure by credentials (nonrefundable)	\$2,000.00
11. Application and permitting for anesthesia permit	\$50.00
12. Renewal of anesthesia permit	\$50.00

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8) and R.S. 37:795.

HISTORICAL NOTE: Promulgated by the Department of Health & Hospitals, Board of Dentistry, LR 14:792 (November 1988), amended LR, 16:566 (June 1990), LR 18:741 (July 1992), LR 23:1526 (November 1997), LR 24:1115 (June 1998), LR 25:

Chapter 4. Fees and Costs

Subchapter D. Fees for Dental Hygienists

§419. Licenses, Permits, And Examinations (Dental Hygienists)

For processing applications for licensure, permits, and examinations, the following fees shall be payable in advance to the board:

1. Examination and licensing of dental hygienist applicant	\$200.00
2. ...	\$150.00
3. Biennial renewal fee for dental hygienist license	\$150.00
4. Replacement or duplicate dental hygienist license, certificate, temporary permit	\$50.00
5. Delinquency fee in addition to renewal fee for any dental hygienist license	\$100.00
6. Reinstatement of a dental hygienist license which has been suspended, revoked, or which has lapsed by nonrenewable.	\$250.00
7. Dental hygiene application and licensure by credentials (nonrefundable)	\$800.00

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8), R.S. 37:768, and R.S. 37:795.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 14:792 (November 1988), amended LR 16:566 (June 1990), LR 18:741 (July 1992), LR 23:1527 (November 1997), LR 24:1115 (June 1998), LR 25:

Interested persons may submit written comments on these proposed rules to C. Barry Ogden, Executive Director, Louisiana State Board of Dentistry, 1515 Poydras Street, Suite 1850, and New Orleans, Louisiana 70112. Written comments must be submitted to and received by the Board within sixty days of this notice. A request pursuant to R.S. 49:953(A)(2) for oral presentation, argument, or public hearing must be made in writing and received by the Board within twenty days of the date of this notice.

C. Barry Ogden
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Fees for Dentists and Dental Hygienists

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The costs of implementing these rule changes are negligible. Notification of these rule changes will be provided to our licensees via publication of the Louisiana Dental Practice Act booklet which is budgeted for publication in the fall of 1999.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be an increase in revenue collections by the Louisiana State Board of Dentistry of approximately \$17,500 year from dental hygienists. There will be an increase in revenue collections of approximately \$60,000 per year from dentists.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

Dental hygienists will pay an additional \$25 per year for the biennial renewal of their licenses to practice dental hygiene in the State of Louisiana. Dentists will pay an additional \$50 per year for the biennial renewal of their licenses to practice dentistry in the State of Louisiana.

IV ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There will be no effect on competition and employment.

C. Barry Ogden
Executive Director
9905#009

H. Gordon Monk
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

Department of Health and Hospitals Office of the Secretary

Maternal and Child Health Block Grant Application

The Department of Health and Hospitals (DHH) intends to apply for Maternal and Child Health (MCH) Block Grant Federal Funding for FY 1999-2000 in accordance with Public Law 97-35, the Omnibus Budget Reconciliation Act of 1981, and with federal regulations as set forth in the Federal Register Vol. 47, No. 129, Tuesday, July 6, 1982, pages 29472-29493.

NOTICE OF INTENT

**Department of Health and Hospitals
Office of the Secretary
Bureau of Health Services Financing**

**Home and Community Based Services Waiver
Program for Mentally Retarded/Developmentally Disabled**

DHH will continue to administer programs funded under the MCH Block Grant in accordance with provisions set forth in Public Law 97-35 and the federal regulations. The Office of Public Health is the office responsible for program administration of the grant.

A public hearing on the Block Grant is scheduled for Friday June 25, 1999 at 1:30 p.m. in the Department of Health and Hospitals 3rd floor conference room A, 1201 Capitol Access Road, Baton Rouge, La.

At the public Hearing all interested persons will have the opportunity to provide recommendations on the proposed Block Grant orally or in writing. Written comments will be accepted through July 12, 1999. Comments may be addressed to Jimmy Guidry, M.D., Assistant Secretary, Office of Public Health, 1201 Capitol Access Road, Baton Rouge, La. The application is available for review at any regional OPH facility.

David W. Hood
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR
ADMINISTRATIVE RULES**

**RULE TITLE: Maternal and Child Health Block Grant
Application**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

This block was implemented in FY' 81. Neither an increase nor a decrease in implementation costs is expected, as DHH will continue to administer these programs in accordance with existing federal and state laws and regulations. No workload change is anticipated, as the same amounts and kinds of services are expected to be delivered. Publication cost should be included (\$45.00).

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE
OR LOCAL GOVERNMENTAL UNITS (Summary)**

No effect on revenue collections is anticipated. Naturally, if the federal allotment to Louisiana for this block decreases, the State will be required to subsequently decrease the allotment to all programs covered under the block, but this is a factor beyond control. The amount of the allocation from Louisiana for FY 1999-2000 is expected to be \$14,957,038 which is almost the same amount as FY 1998-1999.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO
DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL
GROUPS (Summary)**

No effect is anticipated on patients, groups, units of local government or state agencies other than DHH.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT
(Summary)**

No effect is anticipated on competition and employment, as the same kinds and amounts of services are to be offered. Should the amount of federal funds eventually appropriated be at such a decreased level as to warrant reductions in staff, unemployment will result.

Jimmy Guidry, M.D.
Assistant Secretary
9905#077

H. Gordon Monk
Staff Director
Legislative Fiscal Office

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, proposes to amend the following rule in the Medical Assistance Program as authorized by R.S. 46:153 and pursuant to Title XIX of the Social Security Act. This proposed rule is in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health and Hospitals, Bureau of Health Services Financing administers a program of specialized services for individuals with mental retardation and developmental disabilities under the Home and Community-Based Services Waiver option of the Medicaid Program. Access is limited to a specific number of participants based on the approval of the waiver application by the Health Care Financing Administration. Home and Community-Based Services Waiver programs are based on federal criteria which allow services to be provided in a home or community based setting for a recipient who would otherwise require institutional care.

The provisions governing the allocation of slots in the MR/DD Waiver were previously promulgated in rules published June 20, 1997 and March 20, 1998. Additional slots are now being funded to enhance access to these services for Louisiana citizens with developmental disabilities. The Department has determined that it is necessary to amend the policy contained in the March 20, 1998 rule governing the programmatic allocation of waiver slots in order to better meet the needs of the applicants for these service slots, and to assure access for those persons being served in institutional settings as well as those applicants who have remained in the community. The section entitled ~~A~~Programmatic Allocation of Waiver Slots[®] is being published in its entirety in order to provide clarity.

Proposed Rule

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing amends the provisions governing programmatic allocation of waiver slots for the Mentally Retarded/Developmentally Disabled Waiver contained in the March 20, 1998 rule as follows:

Programmatic Allocation of Waiver Slots. The waiting list shall be used to protect the individual's right to be evaluated for waiver eligibility. The Regional Office for Citizens with Developmental Disabilities (OCDD) shall notify the next individual on the waiting list in writing that a slot is available and that he/she is next in line to be evaluated for possible waiver slot assignment. The OCDD staff shall follow the procedures established by the Division of Home

and Community-Based Waivers (DHCBW) as part of the application process. The individual then chooses a case manager who will assist in the gathering of the documents needed for both the financial eligibility and medical certification process. If the individual is determined to be ineligible either financially or medically, that individual is notified in writing and a copy of the notice is forwarded to the regional OCDD office. The next person on the waiting list is notified as stated above and the process continues until an eligible person is identified. A waiver slot is assigned to an individual when eligibility is established and the individual is certified. Utilizing these procedures, waiver slots shall be allocated to the targeted groups cited below as follows:

1. A minimum of 80 slots shall be available for allocation to foster children in the custody of the Office of Community Services (OCS) who successfully complete the financial and medical certification eligibility process and are certified for the waiver. OCS is the guardian for those children who have been placed in their custody by court order. OCS shall be responsible for assisting the individual to gather the documents needed in the eligibility determination process; preparing the comprehensive plan of care; and submitting the plan of care document to DHCBW.

2. A minimum of 160 slots shall be available for residents of the Pinecrest and Hammond Developmental Centers, or their alternates, who successfully complete the financial and medical certification eligibility process and are certified for the waiver. Alternate shall be defined as those residents of ICF-MR facilities who choose to apply for waiver participation, are determined eligible for the waiver, and vacate a bed in the ICF-MR facility which will be used for a resident being discharged from a public developmental center. The Pinecrest or Hammond Developmental Center resident must be given freedom of choice in the selection of a private ICF-MR facility placement in the area of the resident's choice in order to designate the resident being discharged from the ICF-MR facility as an alternate. The bed being vacated in the ICF-MR facility is reserved for placement of a public developmental center resident for 120 days.

3. Any slots vacated during the waiver year shall be available to residents leaving any publicly operated ICF-MR facility.

4. At minimum of 36 slots shall be available for the conversion of whole ICF-MR facilities to waiver services. In order to qualify, all residents of the ICF-MR facility must choose to participate in the waiver, must meet the financial and medical eligibility requirements for the waiver, and the ICF-MR facility must be closed and its licensure and certificate of need forfeited.

5. Funded slots, not addressed in this section, shall be available for allocation to the next applicants on the MR/DD Waiver waiting list, in order of application, who successfully complete the financial eligibility and medical certification process and are certified for the waiver.

Waiver slots shall not be reserved for use as emergency slots nor shall emergency slots be assigned.

The Bureau of Health Services Financing, Division of Home and Community-Based Waivers has the authority to monitor the utilization of waiver slots. Specially allocated slots may be reallocated to better meet the needs of Medicaid recipients with developmental disabilities.

Interested persons may submit written comments to the following address: Thomas D. Collins, Bureau of Health Services Financing, Box 91030, Baton Rouge, La. 70821-9030. He is responsible for responding to inquiries regarding this proposed rule. A public hearing on this proposed rule is scheduled for Friday, June 25, 1999 at 9:30 a.m. in the Department of Transportation and Development Auditorium, First Floor, 1201 Capitol Access Road, Baton Rouge, Louisiana. At that time all interested persons will be afforded an opportunity submit data, views or arguments, orally or in writing. The deadline for the receipt of all written comments is 4:30 p.m. on the next business day following the public hearing.

David W. Hood
Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Home and Community Based Services Waiver Program¹ Mentally Retarded/Developmentally Disabled

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

Implementation of this proposed rule will result in state costs of \$200 for SFY 1999-2000 for the state's administrative expense of promulgating this proposed rule as well as the final rule. No additional costs are anticipated for SFY 2000-2001 and SFY 2001-2002.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no effect on federal revenue collections. However, the federal share of promulgating this proposed rule as well as the final rule is \$200.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

Institutionalized recipients shall have greater access to waiver slots. Also, there is a possibility that large developmental centers will lose reimbursement as residents of these facilities shall be "transitioned" into small ICF/MRs or directly into the community. There is no change in reimbursement for the small ICF/MR unless the "new" resident has a higher level of care.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is a potential opportunity for providers to hire additional staff to care for residents with a greater level of care entering in the small ICF/MR.

Thomas D. Collins
Director
9905#050

H. Gordon Monk
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

Department of Health and Hospitals Office of the Secretary Bureau of Health Services Financing

Intrathecal Baclofen Therapy (IBT)

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing is proposing to adopt the following rule as authorized by R.S. 46:153 and pursuant to Title XIX of the Social Security Act. This proposed rule is in accordance with the Administrative Procedure Act R.S. 49:950 et seq.

The Department of Health and Hospitals, Bureau of Health Services Financing currently provides coverage under the Medicaid Program for intrathecal baclofen therapy (IBT) for the treatment of severe spasticity of the spinal cord or of cerebral origin. The Bureau has determined that it is necessary to establish coverage and clinical criteria for the surgical implantation of a programmable infusion pump for IBT. Therefore, the Bureau proposes to adopt the following rule governing the coverage of IBT infusion pumps for the treatment of severe spasticity of the spinal cord or of cerebral origin.

Proposed Rule

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, adopts the following clinical criteria governing coverage for the surgical implantation of a programmable infusion pump for the delivery of intrathecal baclofen therapy (IBT) to Candidates age four years and older who require IBT therapy for the treatment of severe spasticity of the spinal cord or of cerebral origin.

I. Candidate Selection Criteria. Consideration shall be given for Medicaid reimbursement for implantation of an IBT infusion pump if the treatment is considered medically necessary, the candidate is four years of age or older with a body mass sufficient to support the implanted system, and any one or more of the following criteria is met:

A. Inclusive Criteria for Candidates with Spasticity of Cerebral Origin.

1. there is severe spasticity of cerebral origin with no more than mild athetosis or dystonia;
2. the injury is older than one year;
3. there has been a drop in Ashworth scale of 1 or more;
4. spasticity of cerebral origin is resistant to conservative management;
5. the candidate has a positive response to test dose of intrathecal baclofen.

B. Inclusive Criteria for Candidates with Spasticity of Spinal Cord Origin.

1. spasticity of spinal cord origin that is resistant to oral antispasmodics or side effects unacceptable in effective doses;
2. there has been a drop in Ashworth scale of 2 or more; or
3. the candidate has a positive response to test dose of intrathecal baclofen.

C. Caution should be exercised when considering IBT infusion pump implantation for candidates who: have a history of autonomic dysreflexia; suffer from psychotic disorders, have other implanted devices; or utilize spasticity to increase function such as in posture balance and locomotion.

D. Exclusive Criteria. Consideration for an implantation of an IBT infusion pump shall not be made if the candidate:

1. fails to meet any of the inclusion criteria;
2. is pregnant, or refuses or fails to use adequate methods of birth control;
3. has a severely impaired renal or hepatic function
4. has a traumatic brain injury of less than one year pre-existent to the date of the screening dose;
5. has a history of hypersensitivity to oral baclofen;
6. has a systemic or localized infection which could infect the implanted pump; or
7. does not respond positively to a 50, 75 or 100 mcg intrathecal bolus of Lioresal during the screening trial procedure.

NOTE: Reimbursement is available for the cost of the bolus injections given even if the candidate fails the screening trial procedure.

II. Diagnoses Covered. The following diagnoses are considered appropriate for IBT treatment and infusion pump implantation:

- A. meningitis;
- B. encephalitis;
- C. dystonia;
- D. multiple sclerosis;
- E. spastic hemiplegia;
- F. infantile cerebral palsy;
- G. other specified paralytic syndromes;
- H. acute, but ill-defined, cerebrovascular disease;
- I. closed fracture of base of skull;
- J. open fracture of base of skull;
- K. closed skull fracture;
- L. fracture of vertebral column w/spinal cord injury;
- M. intracranial injury of other & unspecified nature; and
- N. spinal cord injury w/o evidence of spinal bone injury.

III. Prior Authorization. All implantations must be prior authorized. The request to initiate chronic infusion of IBT shall be made by the multidisciplinary team which shall consist of the following professionals: neurosurgeon or an orthopedic surgeon; physiatrist and or neurologist; the attending physician; a nurse; a social worker; and allied professionals (physical therapist, occupational therapist, etc). The multidisciplinary team shall evaluate the candidate after the screening trial procedure has been completed but prior to pump implantation. These professionals shall have expertise in the evaluation, management and treatment of spasticity of cerebral and spinal cord origin and shall have undergone training in infusion therapy and pump implantation by Medtronic or an equally recognized product supplier with expertise in intrathecal baclofen. The team's recommendation and the results of all pre-operative tests (medical and physical, neurological, functional, and psychosocial assessments; Ashworth scores for pre and post administration of IBT test doses; and any other pertinent

documentation, evaluation, or testing) shall be submitted simultaneously to the Prior Authorization Unit for review.

Interested persons may submit written comments to the following address: Thomas D. Collins, Bureau of Health Services Financing, Box 91030, Baton Rouge, LA 70821-9030. He is the person responsible for responding to inquiries regarding this rule. A public hearing will be held on this matter on Friday, June 25, 1999 at 9:30 a.m. in the Auditorium of the Department of Transportation and Development, 1201 Capitol Access Road, Baton Rouge, LA. At that time all interested parties will be afforded an opportunity to submit data views or arguments, orally or in writing. The deadline for the receipt of all comments is 4:30 p.m. on the day following the public hearing.

David Hood
Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Intrathecal Baclofen Therapy (IBT)

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

It is anticipated that implementation of this proposed rule will result in increased expenditures of approximately \$19,016 for SFY 1999-2000; \$19,436 for SFY 2000-2001 and \$19,992 for SFY 2001-2002. Included in SFY 1999 is \$120 for the state's share of printing this rule and the final rule.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that federal revenue collections for implantation of intrathecal baclofen (IBT) infusion pumps for treatments shall be approximately \$44,824 for SFY 1999-2000, \$46,072 for SFY 2000-2001 and \$47,481 for SFY 2001-2002. Included in SFY 1999 is \$120 for the federal share of printing this rule and the final rule.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

As a result of established clinical criteria for intrathecal baclofen infusion pump implants for treatments, recipients with severe spasticity of the spinal cord or cerebral origin will benefit from having the IBT infusion pump. In addition, enrolled Medicaid providers performing these implantations will experience combined state and federal reimbursements of approximately \$63,840 for SFY 1999-2000, \$65,508 for SFY 2000-2001 and \$67,473 for SFY 2001-2002.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no known effect on competition and employment.

Thomas D. Collins
Director
9905#051

H. Gordon Monk
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Labor
Plumbing Board**

Insurance Requirements
(LAC 46:LV.308)

The Louisiana State Plumbing Board (Board), pursuant to La. 37:1366(A) and (D) and 1377, proposes to amend Plumbing Regulation, LAC 46:LV.308, in accordance with the Administrative Procedure Act. The proposed new rule notifies the public of the exemption from the required insurance coverages for master plumbers, as well as the method of verifying this exemption and related penalties for noncompliance.

Title 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part LV. Plumbers

Chapter 3. Licenses

' 308. Insurance Requirements for Master Plumbers

A. - H. ...

I. If an employing entity is exempt from the worker's compensation laws, as provided by applicable Louisiana law, it shall execute an affidavit of non-coverage on a form provided by the board. Failure to timely submit this affidavit may subject the employing entity to special enforcement fees under §308 of these regulations and/or an action for injunctive relief by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1377 and R.S. 37:1366.

HISTORICAL NOTE: Adopted by the Department of Labor, Plumbing Board, 1968, amended by Department of Employment and Training, LR 17:53 (January 1991), amended LR 18:30 (January 1992), LR 19:897 (July 1993), amended by the Department of Labor, Plumbing Board, LR 25:

All currently stated Rules of the board, unless amended herein, shall remain in full force and effect.

Any interested person may submit written comments regarding the content of this proposed rule to Don Traylor, Executive Director, 2714 Canal Street, Suite 512, New Orleans, Louisiana, no later than 5:00 p.m., June 18, 1999.

Don Traylor
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Insurance Requirements

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no estimated implementation costs or savings to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no estimated significant effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no estimated costs or economic benefits to directly affected persons. Master plumbers would only incur the additional cost necessary for the preparation of an affidavit for purposes of notification.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There should be a minimal effect on competition and employment, since the rule change notifies self-employed persons engaged in the business of plumbing of the availability of an exemption from potentially expensive workers' compensation insurance coverages.

Louis L. Robein, Jr.
Board Attorney
9905#052

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Labor
Plumbing Board**

**Journeyman Plumber Exam Requirements
(LAC 46:LV.305)**

The Louisiana State Plumbing Board ("Board"), pursuant to La. 37:1366(A) and (D) and 1377, proposes to amend Plumbing Regulation, LAC 46:LV.305.A.4, in accordance with the Administrative Procedure Act. The proposed rule change notifies the public of the establishment of an additional location where an application may be submitted for a journeyman plumber examination.

Title 46

**PROFESSIONAL AND OCCUPATIONAL
STANDARDS**

Part LV. Plumbers

Chapter 3. Licenses

**§305. Requirements to Take Exam for Journeyman
Plumber's License**

A. Requirements

1. - 3. ...

4. He shall submit his application and required documents to the Baton Rouge or New Orleans office of the board not less than 30 days before any scheduled examination. The board shall inform all interested persons of the examination schedule.

5. - H. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1377 and R.S. 37:1366.

HISTORICAL NOTE: Promulgated by the Department of Labor, State Plumbing Board, 1968, amended LR 14:440 (July 1988), LR 15:1088 (December 1989), repromulgated, as amended, by the Department of Employment and Training, State Plumbing Board, LR 17:51 (January 1991), amended by the Department of Labor, Plumbing Board, LR 25:

All currently stated Rules of the board, unless amended herein, shall remain in full force and effect.

Any interested person may submit written comments regarding the content of this proposed rule to Don Traylor, Executive Director, 2714 Canal Street, Suite 512, New Orleans, Louisiana, no later than 5:00 p.m., June 18, 1999.

Don Traylor
Executive Director

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR
ADMINISTRATIVE RULES**

RULE TITLE: Journeyman Plumber Exam Requirements

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There are no estimated implementation costs or savings to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no estimated effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no estimated costs or economic benefits to directly affected persons.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

No appreciable effect on competition or employment will result from this rule change.

Louis L. Robein, Jr.
Board Attorney
9905#059

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Labor
Plumbing Board**

**Journeyman Plumber Exam Requirements
(LAC 46:LV.305)**

The Louisiana State Plumbing Board ("Board"), pursuant to La. 37:1366(A) and (D) and 1377, proposes to amend Plumbing Regulation, LAC 46:LV.305.F, in accordance with the Administrative Procedure Act. The proposed rule change notifies the public of the board's authority to contract with a private testing service for the administration of journeyman plumber examinations.

Title 46

**PROFESSIONAL AND OCCUPATIONAL
STANDARDS**

Part LV. Plumbers

Chapter 3. Licenses

**§305. Requirements to Take Exam for Journeyman
Plumber's License**

A. - E. ...

F. The chairman of the board shall appoint the examiner or examiners, who may be representatives of a private professional service provider qualified to administer a standardized, nationally recognized test duly adopted by the board. If necessary, the chairman shall appoint additional

examiners to conduct the special examination described in §305.G, or an examiner to conduct any special examination required as an accommodation to a qualified disabled individual under the Americans with Disabilities Act.

G - H. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1377 and R.S. 37:1366.

HISTORICAL NOTE: Promulgated by the Department of Labor, State Plumbing Board, 1968, amended LR 14:440 (July 1988), LR 15:1088 (December 1989), repromulgated, as amended, by the Department of Employment and Training, State Plumbing Board, LR 17:51 (January 1991), amended by the Department of Labor, Plumbing Board, LR 25:

All currently stated Rules of the board, unless amended herein, shall remain in full force and effect.

Any interested person may submit written comments regarding the content of this proposed rule to Don Traylor, Executive Director, 2714 Canal Street, Suite 512, New Orleans, Louisiana, no later than 5:00 p.m., June 18, 1999.

Don Traylor
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Journeyman Plumber Exam Requirements

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no estimated implementation costs or savings to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no estimated effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no estimated costs or economic benefits to directly affected persons.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

It is anticipated that privatized testing services will streamline examination procedures and provide a more credible testing procedure.

Louis L. Robein, Jr.
Board Attorney
9905#056

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

Department of Labor Plumbing Board

Licenses Required
(LAC 46:LV.301)

The Louisiana State Plumbing Board ("Board"), pursuant to La. 37:1366(A) and (D) and 1377, proposes to amend Plumbing Regulation, LAC 46:LV.301, in accordance with the Administrative Procedure Act. The proposed new rule notifies the public of a re-examination fee imposed on applicants for any examination conducted by the board.

Title 46 PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part LV. Plumbers

Chapter 3. Licenses

301. Licenses Required

A. - L. ...

M. In the event any applicant for any license or endorsement who successfully completes a required examination, but fails to pay to the board any requisite license or endorsement fee within 90 days of notice of his examination results shall not be issued the applicable license or endorsement unless and until he submits to an successfully completes re-examination and pays the appropriate fees for such re-examination and subsequent license or endorsement fee. Imposition of this re-examination requirement may be waived for good cause. Any special endorsement fees incurred before or during the re-examination process shall not be affected.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1377 and R.S. 37:1366.

HISTORICAL NOTE: Promulgated by the Department of Labor, Plumbing Board, 1968, promulgated as amended by the Department of Employment and Training, LR 17:49 (January 1991), amended LR 19:897 (July 1993), amended by the Department of Labor, Plumbing Board, LR 19:1593 (December 1993), LR 21:1348 (December 1995), amended by the Department of Labor, Plumbing Board, LR 25:

All currently stated Rules of the board, unless amended herein, shall remain in full force and effect.

Any interested person may submit written comments regarding the content of this proposed rule to Don Traylor, Executive Director, 2714 Canal Street, Suite 512, New Orleans, Louisiana, no later than 5:00 p.m., June 18, 1999.

Don Traylor
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Licenses Required

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

It is estimated that no implementation costs or savings will be realized by the addition of this rule.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There should be no effect on revenue collections by the board, since the costs of administering the first and "make up" examinations are covered by established examination fees.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

Persons who fail to follow through with examination fee payments will be penalized to the extent they must re-submit to the examination process.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There should be no appreciable effect on competition or employment in the Plumbing Industry.

Louis L. Robein, Jr.
Board Attorney
9905#058

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Labor
Plumbing Board**

Master Plumber Exam Requirements
(LAC 46:LV.306)

The Louisiana State Plumbing Board (Board), pursuant to La. 37:1366(A) and (D) and 1377, proposes to amend Plumbing Regulation, LAC 46:LV.306, in accordance with the Administrative Procedure Act. The proposed rule change notifies the public of the establishment of an additional location where an application may be submitted for a master plumber examination.

Title 46

**PROFESSIONAL AND OCCUPATIONAL
STANDARDS**

Part LV. Plumbers

Chapter 3. Licenses

**§306. Requirements to Take Exam for Master
Plumber License**

A. Requirements

1. - 4. ...

5. He shall submit his application to the Baton Rouge or New Orleans office of the board and all required documents not less than 30 days before any scheduled examination. The board shall inform all interested persons of the examination schedule.

6. - G ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1377 and R.S. 37:1366.

HISTORICAL NOTE: Promulgated by the Department of Labor, State Plumbing Board, 1968, repromulgated, as amended, by the Department of Employment and Training, State Plumbing Board, LR 17:52 (January 1991), amended by the Department of Labor, Plumbing Board, LR 25:

All currently stated Rules of the board, unless amended herein, shall remain in full force and effect.

Any interested person may submit written comments regarding the content of this proposed rule to Don Traylor, Executive Director, 2714 Canal Street, Suite 512, New Orleans, Louisiana, no later than 5:00 p.m., June 18, 1999.

Don Traylor
Executive Director

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR
ADMINISTRATIVE RULES**

RULE TITLE: Master Plumber Exam Requirements

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

There are no estimated implementation costs or savings to state or local governmental units.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE
OR LOCAL GOVERNMENTAL UNITS (Summary)**

There is no estimated effect on revenue collections of state or local governmental units.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO
DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL
GROUPS (Summary)**

There are no estimated costs or economic benefits to directly affected persons.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT
(Summary)**

No appreciable effect on competition or employment will result from this rule change.

Louis L. Robein, Jr.
Board Attorney
9905#055

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Labor
Plumbing Board**

Medical Gas Piping Installer License
(LAC 46:LV.304)

The Louisiana State Plumbing Board ("Board"), pursuant to La. 37:1366(A) and (D) and 1377, proposes to amend Plumbing Regulation, LAC 46:LV.304, in accordance with the Administrative Procedure Act. The proposed rule change notifies the public of the board's recognition of private training and testing for medical gas piping installer licensing requirements. Previously the board recognized such training on a very narrow basis.

Title 46

**PROFESSIONAL AND OCCUPATIONAL
STANDARDS**

Part LV. Plumbers

Chapter 3. Licenses

§304. Medical Gas Piping Installer License

A. - G ...

H. The board may accept, in lieu of an examination directly administered by the board to any applicant, the verifiable results of an examination administered by an organization certified pursuant to R.S. 37:1368(G), as evidence of successful completion of the examination referred to in R.S. 37:1368(G). Any papers from such examinations must be available for inspection and the board may require notarized affidavits from the applicant and the administering organization representative attesting to the accuracy of the examination results and the scope of any such examination, which must minimally include the subject areas described in §304.B.4 of the regulations.

I. - K ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1377 and R.S. 37:1366.

HISTORICAL NOTE: Promulgated by the Department of Labor, Plumbing Board, LR 21:1348 (December 1995), amended LR 24:339 (February 1998), amended by the Department of Labor, Plumbing Board, LR 25:

All currently stated Rules of the board, unless amended herein, shall remain in full force and effect.

Any interested person may submit written comments regarding the content of this proposed rule to Don Traylor, Executive Director, 2714 Canal Street, Suite 512, New Orleans, Louisiana, no later than 5:00 p.m., June 18, 1999.

Don Traylor
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Medical Gas Piping Installer License

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no estimated implementation costs or savings to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no estimated effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no estimated costs or economic benefits to directly affected persons.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

Competition in the medical gas piping business should be enhanced, since the board will allow interested parties to acquire the necessary training and testing in the private sector free of board regulated processes.

Louis L. Robein, Jr.
Board Attorney
9905#054

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Labor
Plumbing Board**

**Seasonal and Part-Time Employees
(LAC 46:LV.701)**

The Louisiana State Plumbing Board ("Board"), pursuant to La. 37:1366(A) and (D) and 1377, proposes to amend Plumbing Regulation, LAC 46:LV.701.D, in accordance with the Administrative Procedure Act. The proposed rule change notifies the public of the board's authority to contract with a private testing service for the administration of journeyman plumber examinations.

Title 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part LV. Plumbers

Chapter 7. Board Employees

§701. Seasonal and Part-Time Employees

A. - C.5 ...

D. Examiners

1. - 1.a ...

b. correct any papers pertaining to the examination and tabulate for final grades, before leaving, unless the examination is administered by a representative of a private professional service provider as described in §305.F of these regulations;

D.1.c - E. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1377 and R.S. 37:1366.

HISTORICAL NOTE: Promulgated by the Department of Labor, State Plumbing Board, 1968, repromulgated, as amended, by the Department of Employment and Training, State Plumbing Board, LR 17:55 (January 1991), amended by the Department of Labor, Plumbing Board, LR 25:

All currently stated Rules of the board, unless amended herein, shall remain in full force and effect.

Any interested person may submit written comments regarding the content of this proposed rule to Don Traylor, Executive Director, 2714 Canal Street, Suite 512, New Orleans, Louisiana, no later than 5:00 p.m., June 18, 1999.

Don Traylor
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Seasonal and Part-Time Employees

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no estimated implementation costs or savings to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no estimated effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no estimated costs or economic benefits to directly affected persons.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

It is anticipated that privatized testing services will streamline examination procedures and provide a more credible testing procedure.

Louis L. Robein, Jr.
Board Attorney
9905#057

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Labor
Plumbing Board**

**Water Supply Protection Specialist Endorsement
(LAC 46:LV.310)**

The Louisiana State Plumbing Board ("Board"), pursuant to La. 37:1366(A) and (D) and 1377, proposes to amend Plumbing Regulation, LAC 46:LV.310, in accordance with the Administrative Procedure Act. The proposed rule change notifies the public of the board's recognition of private training and testing for water supply protection specialist licensing requirements.

Title 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part LV. Plumbers

Chapter 3. Licenses

§310. Water Supply Protection Specialist Endorsement

A. - E. ...

F. The board may accept, in lieu of an examination directly administered by the board to any applicant, the verifiable results of an examination administered by an organization certified pursuant to R.S. 37:1368(H) as

evidence of successful completion of the examination referred to in R.S. 37:1368(H). Any papers from such examinations must be available for inspection and the board may require notarized affidavits from the applicant and the administering organization representative attesting to the accuracy of the examination results and the scope of any such examination, which must minimally include the subject areas described in §310.C of these regulations.

G - K. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1377 and R.S. 37:1366.

HISTORICAL NOTE: Promulgated by the Department of Labor, Plumbing Board, LR 21:1351 (December 1995), amended by the Department of Labor, Plumbing Board, LR 25:

All currently stated Rules of the board, unless amended herein, shall remain in full force and effect.

Any interested person may submit written comments regarding the content of this proposed rule to Don Traylor, Executive Director, 2714 Canal Street, Suite 512, New Orleans, Louisiana, no later than 5:00 p.m., June 18, 1999.

Don Traylor
Executive Director

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR
ADMINISTRATIVE RULES
RULE TITLE: Water Supply Protection Specialist
Endorsement**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

There are no estimated implementation costs or savings to state or local governmental units.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE
OR LOCAL GOVERNMENTAL UNITS (Summary)**

There is no estimated effect on revenue collections of state or local governmental units.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO
DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL
GROUPS (Summary)**

There are no estimated costs or economic benefits to directly affected persons.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT
(Summary)**

Competition in the water supply protection business should be enhanced, since the board will allow interested parties to acquire the necessary training and testing in the private sector free of board regulated processes.

Louis L. Robein, Jr.
Board Attorney
9905#053

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Labor
Office of Workers' Compensation**

Workers' Compensation (LAC 40:I.5501-6661)

(Editor's Note: The following notice, which appeared on page 2004 of the October 20, 1999 *Louisiana Register*, is being republished in its entirety to correct typographical errors.)

Notice is hereby given, in accordance with R.S. 49:950, et seq., that the Louisiana Department of Labor, Office of Workers= Compensation, pursuant to authority vested in the

Director of the Office of Workers= Compensation by R.S. 23:1310.1 and in accordance with applicable provisions of the Administrative Procedure Act, proposes to repeal in their entirety LAC 40:I.2101 through 2173 and enact rules governing the procedure before the workers= compensation court, LAC 40, Part I, Subpart 2, Chapters 55 through 66, to provide for the procedural rules for the workers= compensation court. The proposed rules can be viewed in their entirety at the Office of the State Register, 1051 North Third Street, Baton Rouge, LA 70802 and also at the Office of Workers' Compensation Office at the address listed below.

Inquiries concerning the proposed repeal and enactment may be directed to: Dan Boudreaux, Assistant Secretary, Office of Workers= Compensation Administration, Louisiana Department of Labor, P.O. Box 94094, Baton Rouge, Louisiana 70804-9094.

Interested persons may submit data, views, arguments, information or comments on the proposed repeal and enactment in writing, to the Louisiana Department of Labor, P.O. Box 94094, Baton Rouge, Louisiana 70804-9094, Attention: Dan Boudreaux, Assistant Secretary, Office of Workers= Compensation Administration. Written comments must be submitted and received by the Department within 10 days from the date of this notice. A request pursuant to R.S. 49:953(A)(2) for oral presentation, argument or public hearing must be made in writing and received by the Department within 20 days of the date of this notice.

Garey Forster
Secretary

9905#076

NOTICE OF INTENT

**Department of Natural Resources
Office of Conservation**

Statewide Order No. 29~~C~~ Casing Program and
Penalty for Infractions
(LAC 43:XIX.109, 143, 145)

In accordance with the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Natural Resources, Office of Conservation hereby proposes to amend Statewide Order No. 29-B.

Title 43

NATURAL RESOURCES

**Part XIX. Office of Conservation: General Operations
Subpart 1. Statewide Order No. 29-B**

Chapter 1. General Provisions

§109. Casing Program

A. Conductor Pipe. Conductor pipe is that pipe ordinarily used for the purpose of supporting unconsolidated surface deposits. The use and removal of conductor pipe during the drilling of any oil and gas well shall be at the option of the operator.

* * *

E. Tubing and Completion

1. A valve, or its equivalent, tested to a pressure of not less than the calculated bottomhole pressure of the well,

shall be installed below any and all tubing outlet connections.

2. When a well develops a casing pressure, upon completion, equivalent to more than three-quarters of the internal pressure that will develop the minimum yield point of the casing, such well shall be required by the district manager to be killed, and a tubing packer to be set so as to keep such excessive pressure of the casing.

F. Wellhead Connections. Wellhead connections shall be tested prior to installation at a pressure indicated by the district manager in conformance with conditions existing in areas in which they are used. Whenever such tests are made in the field, they shall be witnessed by an agent of the department. Tubing and tubing heads shall be free from obstructions in wells used for bottomhole pressure test purposes.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:4 et seq.

HISTORICAL NOTE: Promulgated by the Department of Conservation (August 1943), amended (February 1951), (August 1958), amended by the Department of Natural Resources, Office of Conservation, LR 25:

§143. Penalty for Infractions

In accordance with the laws of the state of Louisiana, and especially Act 157 of the Legislature of 1940, any infraction of these rules and regulations may result in shutting in and sealing of any drilling or producing well or wells, tank storage or lease or leases, involved in the infraction, and prohibition of acceptance of oil or gas from such well or lease for purchasing or transporting by agent or, in the alternative, as an additional penalty, be prosecuted under Section 17 of Act 157 of 1940.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:4 et seq.

HISTORICAL NOTE: Promulgated by the Department of Conservation (August 1943), amended by the Department of Natural Resources, Office of Conservation, LR 25:

§145. Effective Date

This Order shall be effective from and after the first day of August, 1943.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:4 et seq.

HISTORICAL NOTE: Promulgated by the Department of Conservation (August 1943), amended by the Department of Natural Resources, Office of Conservation, LR 25:

A public hearing will be held at 9:00 a.m., Tuesday, June 29, 1999, in the Conservation Auditorium, located on the First Floor of the State Land & Natural Resources Building, 625 North 4th Street, Baton Rouge, Louisiana.

All interested parties will be afforded the opportunity to submit data, views, or arguments, orally or in writing at said public hearing in accordance with LSA-R.S. 49:953. Written comments will be accepted until 4:30 p.m., Tuesday, July 6, 1999 at the following address: Office of Conservation, Engineering Division, P O Box 94275, Baton Rouge, LA 70804-9275, Re: Docket No. 99-280.

Philip N. Asprodites
Commissioner

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Statewide Order No. 29 Casing Program and Penalty for Infractions

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There will be no implementation cost (savings) to state or local government units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There could be a positive effect on revenue collections of state or local government units. Relieving the industry of the tubing size restriction could result in greater quantities of hydrocarbons being produced resulting in increased severance taxes, etc. However, actual increase is indeterminable.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There will be no cost to directly affected persons or nongovernmental groups. However, relieving the industry of the tubing size restriction could result in greater quantities of hydrocarbons being produced resulting in increased revenues for the industry and royalty owners.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There will be no effect on competition and employment.

Philip N. Asprodites
Commissioner
9905#037

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

Department of Public Safety and Corrections Correction Services

Forfeiture of Good Time for Escape or Battery
(LAC 22:I.333 and 359)

In accordance with the Administrative Procedure Act L.S.A. R.S. 49:953(B) and in order to implement L.S.A. R.S. 15:571.4, the Department of Public Safety & Corrections, Corrections Services hereby gives notice of intent to amend LAC 22:I.333 regarding forfeiture of good time for escape or battery of an employee of the Department of Public Safety and Corrections and to amend LAC 22:I.359.A.2.k regarding the penalty schedule for custody change from minimum or medium custody to maximum custody status.

Title 22

CORRECTIONS, CRIMINAL JUSTICE AND LAW ENFORCEMENT

Part I. Corrections

Chapter 3. Adult and Juvenile Services

Subchapter A. General

' 333. Forfeiture of Good Time for Escape or Battery on an Employee of the Department

A. Purpose. The purpose of this regulation is to provide for rules related to the forfeiture of earned good time for escapes from state institution, or from the lawful custody of

any law enforcement officer or corrections services personnel, or battery on an employee of the Department, as provided for under R.S. 15:571.4(B) and (C).

B. To Whom This Regulation Applies. This regulation is applicable to all offenders committed to, or who may be committed to, the custody of the Department of Public Safety and Corrections, and who commit simple or aggravated escape or battery on an employee of the Department on or after August 30, 1986.

C. General. This regulation establishes the rules and procedures to be used for forfeiture of earned good time for escape and battery as set out in R.S. 15:571.4(B) and (C).

D. Definitions. For the purpose of this regulation, the following definitions are applicable:

Aggravated Escape the intentional, unauthorized departure, under circumstances wherein human life is endangered, of an offender from the grounds of an institution, from a designated area or place within an institution, the custody of corrections services personnel while off the grounds of an institution, the custody of any law enforcement officer, or the failure of a work-release offender or an offender on furlough, to return to their place of confinement at the appointed time. For the purpose of this regulation, the commission of a crime while on escape constitutes aggravated escape.

Battery on an Employee of the Department

Commission of a battery by an inmate on an employee of the Department of Public Safety and Corrections or police officers as defined in R.S. 14:34.2.

Simple Escape the intentional, unauthorized departure under circumstances wherein human life is not endangered, of an offender from the grounds of an institution, from a designated area or place within an institution, the custody of corrections services personnel while off the grounds of an institution, the custody of any law enforcement officer, or the failure of a work-release offender or an offender on furlough, to return to their place of confinement at the appointed time.

E. Procedures. The following procedures shall be used.

1. Notice. The offender shall be given written notice of the charge which should contain a description of the evidence against him. He should also be advised of the right to request a hearing before the disciplinary board within 15 days of receipt of the notice, the right to be represented by counsel, to be present at the hearing, and to present exculpatory evidence or evidence in mitigation.

2. Request for a Hearing. The offender must, within 15 days of receiving the notice, submit to the warden a written request for a hearing. If this request is not made timely, it will be deemed that the offender waives his right to a hearing on the issue of guilt and the action to be taken. In such a case the disciplinary board may impose any action permitted by law.

a. The request must contain the following:

- i. a statement from the offender setting out the facts upon which he is relying;
- ii. a list of witnesses with the reason for the witnesses and the expected testimony;
- iii. a list of documents with the reason for each document and the expected information;

iv. the offender must state whether he is challenging the charge or only attempting to mitigate the action, or both; and

v. the offender must also state whether he will represent himself, retain counsel, or wishes to have an inmate counsel substitute.

b. The contents of the request shall be binding on the offender and shall not be expanded unless good cause is shown why it should be expanded.

3. The Hearing. The hearing will be before a disciplinary board which shall follow the procedures set out in the *Disciplinary Rules and Procedures for Adult Offenders* and in addition:

a. the disciplinary board should make a determination as to which witnesses and documents are to be allowed into evidence and state in writing the reason for excluding a witness or document. The reasons may, if the disciplinary board deems appropriate, be kept confidential;

b. the disciplinary board should hear evidence on the issue raised in the request and the documents and witnesses on the request unless otherwise excluded;

c. the disciplinary board should prepare written reasons for their judgment of guilt or innocence and explain the basis for the action taken;

d. the hearing should be held no sooner than 10 days of receipt of the request. No hearing needs to be scheduled until the offender is physically returned to the custody of the institution from which the alleged escape occurred, or to the custody of the institution to which the offender is assigned after the alleged escape;

e. within seven days of the disciplinary board's adverse decision, the offender may appeal to the secretary; and

f. if the offender is found guilty or pleads guilty to the criminal charge of escape or battery before a court of law, the entry of the judicial conviction shall be conclusive evidence of the offender's guilt in the proceeding.

4. Action. The following actions may be imposed after the offender is found guilty of escape.

a. Louisiana State Penitentiary

i. Those found guilty of simple escape shall, forfeit not less than one month, nor more than two years' worth of earned good time.

ii. Those found guilty of aggravated escape shall forfeit all good time earned on that portion of that sentence served prior to the escape.

b. Other State Institutions. Those found guilty of simple or aggravated escape shall forfeit all good time earned on that portion of the sentence served prior to the escape.

c. All Other Jurisdictions. Those found guilty of simple or aggravated escape from the lawful custody of any law enforcement officer or corrections services personnel, shall forfeit all good time earned on that portion of the sentence served prior to the escape.

5. Action. The following action may be imposed after the offender is found guilty of battery on an employee of the Department.

a. Those found guilty of battery on an employee of the Department or a police officer as defined in R.S. 14:34.2

may forfeit good time earned on that portion of the sentence served prior to committing the battery of such person, up to a maximum of one hundred eighty (180) days.

AUTHORITY NOTE: Promulgated in accordance with R.S. 15:571.4.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Corrections Services, LR 17:670 (July 1991), amended LR 25:

359. Penalty Schedule. Disciplinary Report (Heard by Disciplinary Board)

A. ...

1. - 2.j. ...

k. custody change from minimum or medium custody status to maximum custody status (working cell block or disciplinary detention/extended lockdown). (Imposition of this penalty may include transfer to another institution. Any job change resulting from imposition of this penalty is not a separate penalty for purposes of this section, unless expressly indicated as a penalty).

* * *

AUTHORITY NOTE: Promulgated in accordance with R.S. 15:571.4.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Corrections Services, LR 17:670 (July 1991), amended LR 25:

Interested persons may submit oral or written comments to Richard L. Stalder, Department of Public Safety and Corrections, Box 94304, Capitol Station, Baton Rouge, Louisiana 70804-9304, (504) 342-6741. Comments will be accepted through the close of business at 4:30 p.m. on June 20, 1999.

Richard L. Stalder
Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Forfeiture of Good Time for Escape or Battery

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There will be no estimated costs associated with this amendment as the rule has been previously adopted and implemented pursuant to LSA-R.S. 15:571.4(B).

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no additional costs or economic benefit directly affecting persons or non-governmental groups

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no anticipated impact on competition and employment.

Trey Boudreaux
Undersecretary
9905#060

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Office of Public Safety
Gaming Control Board**

Landbased Casino Gaming
(LAC 42:IX.Chapters 19-45)

The Gaming Control Board hereby gives notice that it intends to adopt LAC 42:IX.1901 through 4519 and to repeal LAC 42:IX.2101 through 4523 originally adopted by the Louisiana Economic Development and Gaming Corporation March 14, 1995.

Title 42

LOUISIANA GAMING

Part IX. Landbased Casino Gaming

Chapter 19. General Provisions

§1901. Policy

A. It is the declared policy of the Louisiana Gaming Control Board that Casino Gaming in Louisiana be strictly regulated and controlled through Administrative Rules and the Casino Operating Contract to protect the public morals, good order and welfare of the inhabitants of the State of Louisiana and to develop the economy.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§1903. Regulations

A. Nothing contained in these Regulations shall be so construed as to conflict with any provision of the Act or other applicable state or federal law.

B. If any provision of these Regulations shall be held invalid, it shall not be construed to invalidate any other provisions of these Regulations or the provisions of the Act.

C. These Regulations in their entirety are intended to be a detailed explanation or implementation of the Casino Operating Contract between the Louisiana Gaming Control Board and the Casino Operator. The Regulations are intended to be read in pari materia with the Casino Operating Contract.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§1905. General Authority of the Board

A. The Board shall have the authority to call forth any Person who, in the Board's opinion, exercises influence over the Casino, Casino Operator, Casino Manager or a Permittee, and such person shall be subject to all suitability requirements. In the event a Person is required by the Board to obtain a License or Permit, and such License or Permit is denied, then the Casino Operator and/or Permittee shall cease connection with such Person(s).

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§1907. Definitions, Words and Terms. Captions. Gender References

A. The provisions of the Act relating to definitions, words and terms are hereby incorporated by reference and made a part hereof and will therefore apply and govern the interpretation of these Regulations, except as otherwise specifically declared or clearly apparent from the context of these Regulations. Any word or term not defined in these Regulations shall have the meaning ascribed to it in the Act. Should any word or term not be defined in these Regulations or in the Act, those words and terms shall be construed in accordance with their plain and ordinary meaning. The captions appearing at the beginning of each regulatory section are for convenience and organization and in no way define, limit or describe the scope, intent or effect of the Regulation. Masculine or feminine pronouns or use of neuter gender may be used interchangeably and the plural shall be substituted for the singular form and vice versa, in any place or places in these Regulations where the context requires such substitution. The following terms shall have the meaning ascribed to each:

Act the Louisiana Economic Development and Gaming Corporation Act (La. R.S. 27:201 et seq) and all other relevant provisions of La. R.S. 27: 1 et seq, as it may be amended from time to time.

Administrative Approval the authority conferred upon the Division by any Regulation or by a condition imposed on a License or Permit to grant or deny, in its sole discretion, a request for Approval of a proposed action or transaction.

Administrative Decision the final action, decision, order or disposition by the Division directed toward a request for Administrative Approval.

Affiliate

a. a Person who directly, or indirectly, Controls or is Controlled by, or is under common Control with the Person specified. Whenever the term Affiliate is used with respect to the Casino Operator, the term also means and includes any Person holding a direct or indirect shareholder interest that gives such Person the ability to Control the Casino Operator or any Person owning a 5% or more direct Interest in the Casino Operator.

i. For purposes of calculating the percentage of ownership Interest, the following shall be attributed to such Person, the ownership, income, or profit interest held by a trustee of a trust of which a Person is a beneficiary.

ii. The Interest held by a member of such Person's immediate family. Immediate family means a Person's spouse, children, parents, brothers, sisters, nieces, nephews and cousins to the first degree.

b. notwithstanding the foregoing, a shareholder owning, directly or indirectly, 5% or more ownership, income or profit interest in a corporation, the shares of which are widely held and publicly traded shall not be an Affiliate of a Person, unless the Gaming Board determines the shareholder controls that Person or an intermediary, effectively, Controls, or is Controlled by, or is under common Control with, a specified Person.

Agent any commissioned Louisiana State Police Trooper or designated employee of the Louisiana State Police, Gaming Enforcement Section.

Annual Audit means the audit performed each Fiscal Year by the Independent CPA of the Fiscal Year Financial

Statements of the Casino Operator. The Annual Audit shall be performed in accordance with the requirements of Section 12.5 of the Casino Operating Contract - *Review and Audit*.

Applicant any Person who has submitted an Application or bid to the Board or Division for a License, Permit, registration, contract or other finding of suitability, or renewal thereof.

Applicant Records those Records which contain information and data pertaining to an Applicant's criminal Record, antecedents and background, and the Applicant's financial Records, furnished to, or obtained by, the Division from any source incidental to an investigation for Licensing, findings of suitability, registration, the continuing obligation to maintain suitability or other affirmative Approval.

Application the forms and schedules prescribed by the Division upon which an Applicant seeks a License, Permit, registration, contract or other finding of suitability, or the renewal thereof. Application also includes information, disclosure statements, financial statements and all documents incorporated in, attached to, or submitted with the Application form specifically including personal history questionnaires submitted by an Applicant.

Approve, Approves, Approved, Approval means when used with respect to the Board that the Board or its agents shall have the right, prior to an action, to Approve, confirm, uphold or grant permission with respect to the subject matter thereof. When the term *approve, approves, approved* or *approval* is used without an initial capital A, it shall mean the Gaming Board has contractual approval rights only. When the term *Approve, Approves, Approved* or *Approval* is used with an initial capital A it shall mean the Gaming Board has regulatory Approval rights.

Architectural Plans and Specifications or Architectural Plans or Plans or Specifications all of the Plans, drawings, and Specifications for the construction, furnishing, and equipping of the Casino, including, but not limited to, detailed Specifications and illustrative drawings or models depicting the proposed size, layout and configuration of the Casino, including electrical and plumbing systems, engineering, structure, and aesthetic interior and exterior design as are prepared by one or more licensed professional architects and engineers. Architectural Plans and Specifications does not include Furniture, Fixture & Equipment, as defined in this Chapter.

Associated Equipment any Gaming Equipment which does not affect the outcome of the Game, except as otherwise provided in these Regulations.

Background Investigation all efforts, whether prior to or subsequent to the filing of an Application, designed to discover information about an Applicant, Casino Operator, Affiliate, Casino Manager, Licensee, Permittee, registrant, or other Person required to be found suitable and includes without time limitations, any additional or deferred efforts to fully develop the understanding of information which was provided or should have been provided or obtained during the application process. Examples of Background Investigation include, but are not limited to; measures taken in connection with exploring information on Applicants, procedures undertaken with respect to investigatory hearings, except for matters specifically disclosed in any hearing open to the public and orders, responses and other documents relating thereto.

Board the Louisiana Gaming Control Board.

Books and Records means all Financial Statements, revenue, expense and other accounting or financial documents or Records, including general ledgers, accounts receivable, accounts payable, invoices, payroll records, ownership records, expense records, income records and other documents or records required by the Internal Control System (including detailed Records by Game, Drop and shift) and all other documents or Records maintained by the Casino Operator or the Casino Manager whether in print, electronic, magnetic, optical, digital or other media form relating to or concerning the Casino.

Candidate any Person whom the Division seeks to place on the Exclusion List pursuant to these Regulations.

Casino the entirety of the building and improvements including the Furniture, Fixture, and Equipment, the operating equipment and operating supplies and all other improvements located at the Rivergate site in the Parish of Orleans.

Casino Act (see Act).

Casino Gaming Day means the twenty-four (24) hour period commencing at 6:00 a.m. Central Standard Time or Central Daylight Savings Time when in effect in Louisiana, or such other time periods selected by the Casino Operator and Approved by the Board and Division.

Casino Gaming Operations any Gaming Operations offered or conducted at or in the Official Gaming Establishment.

Casino Manager a Person with whom the Casino Operator contracts to provide all or substantially all of the services necessary for the day-to-day management and operation of the Official Gaming Establishment or Casino, pursuant to the Casino Operating Contract and these Regulations, who or which has been found suitable by the Board.

Casino Operating Contract a contract let or bid by the Board, in accordance with the provisions of the Act, authorizing a Casino Operator to conduct Casino Gaming Operations at the Official Gaming Establishment for the benefit of the State and Casino Gaming Operator.

Casino Operator any Person who enters into a contract with the Board requiring that Person to conduct Casino Gaming Operations according to the provisions of the Act and these Regulations.

Casino Surveillance the observation of Gaming and Gaming related Activities in the Casino.

Certification Fees the fees charged by the Division incidental to the certification of documents.

Certified Electronic Technician qualified service personnel or a Gaming Employee trained by a Manufacturer, Supplier, or other qualified entity, or through training programs Approved by the Division, who are capable of performing any repairs, parts replacement, maintenance, and other matters relating to servicing of Gaming Devices and Gaming Equipment or the Surveillance System.

Chairman the Chairman of the Louisiana Gaming Control Board.

Cheating Device any tangible object, item, contrivance, part or device, including a computerized, electronic or mechanical device used, or attempted to be used, to alter the Randomness of any Game or any Gaming Device in the Casino; or to play any Game or Gaming

Device without placing the required Wager in order for himself or another to Win, or attempt to Win, money or property or combination thereof, or reduce or attempt to reduce, or increase or attempt to increase, either a losing or Winning Wager; and shall include any device used by a Person to gain an unfair advantage.

Chip a non-metal or partly metal representative of value, redeemable for cash, and issued or sold by the Casino Operator for use at the Casino.

Confidential Record any paper, document or other Record or data reduced to a Record which is not open to public inspection.

Confidential Source a provider of information which is not a matter of general public knowledge or of Public Record as well as an information provider, revelation of whose identity would tend to compromise the flow of information from that particular provider or his class of providers. Examples of confidential sources include, but are not limited to; governmental agencies which provide tax records or related information; law enforcement, or criminal justice agencies, including cooperative governmental funded data bases, which provide criminal history and related data under information sharing or providing agreements or arrangements; private Persons or entities which provide information subject to the condition that the information or their identities be kept confidential; informants, whether volunteering information or responding to investigatory measures; and any other provider or originator of information which might be deemed to be subject to a recognized privacy or confidentiality interests or a privilege against disclosure (unless the privilege has been waived), or the public disclosure of which might tend to endanger or compromise the provider of information, or impede the future furnishing of similar information.

Control means with respect to a Person, the ability, in the sole opinion and discretion of the Gaming Board, to exercise a significant influence over the activities of such Person. Nothing in this Section shall restrict the rights of the Gaming Board under La. R.S. 27:236(E).

Day when not preceded by the words *Business* or *Casino Gaming* as used in these Regulations shall mean a calendar day.

Dedicated Camera a video camera which is required by these Regulations to continuously record a specific activity.

Default Interest Rate means a floating rate of interest at all times equal to the greater of:

- a. the prime rate of Citibank, N.A. or its successor plus five percent (5%); or
- b. fifteen percent (15%) per annum, whichever is greater, provided, however, that the Default Interest Rate shall not exceed the maximum interest rate allowed by applicable law.

Designated Gaming Area those portions of the Casino in which Gaming Activities may be conducted. Such designated Gaming area shall not be less than 100,000 square feet of usable space.

Designated Representative a Person designated by the Casino to oversee and assume responsibility for the operation of the Casino's Gaming business.

Disciplinary Action any action undertaken by the Chairman which includes the suspension, revocation or

refusal to renew any contract, other than the Casino Operating Contract, entered into or any License, Permit, finding of suitability or registration issued in accordance with the provisions of the Act and these Regulations.

Distributor any Person who buys, Sells, leases, services, reconditions or repairs Slot Machines.

Division the Landbased Casino Division of the Gaming Enforcement Section of the Office of State Police, Department of Public Safety and Corrections.

Drop

a. for table Games, the total amount of money, Chips, and Tokens contained in the Drop boxes.

b. for Slot Machines, the total amount of money and Tokens removed from the Drop box bill validator acceptor, or for cashless Slot Machines, the amounts deducted from a player's slot account as a result of Slot Machine play.

Duplication Fees a charge for duplicating documents for release to the requesting Person.

Economic Interest or Interest any Interest in a Person, entity, contract or Permit whereby a Person receives or is entitled to receive, by agreement or otherwise, a profit, gain, thing of value, loss, credit, security interest, ownership interest, or other benefit. Economic Interest in the Casino Operator includes voting shares of stock or otherwise exercising Control of the day to day operations of the Casino through a management agreement or similar contract. Economic interest does not include a debt unless upon review of the instrument, contract or other evidence of indebtedness, the Board determines a finding of suitability is required based upon the economic relationship with the Casino Operator.

Electronic Fund Transfer Any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account.

Electronic Gaming Device any mechanical or electrical device or machine which upon payment of consideration is available to play or operate, operation of which, whether by reason of the skill of the operator, or application of the element of chance, or both, may deliver or entitle the Person playing or operating the machine to receive premiums, merchandise, tokens, redeemable Game credits or anything of value other than unredeemable free Games whether the payoff is made automatically from the machines or in any other manner.

Employee Permit or Gaming Employee Permit The Permit of a Person employed in the operation or supervision of a Gaming Activity of the Casino and includes pit bosses (pit managers), floormen, boxmen, dealers or croupiers, device technicians, Designated Gaming Area security employees, count room personnel, cage personnel, Slot Machine and slot booth personnel, credit and collection personnel, Casino surveillance personnel, bartenders that are allowed to make change for Gaming and supervisory employees empowered to make discretionary decisions that regulate Gaming Activities, including shift bosses, credit executives, Casino cashier supervisors, Gaming managers and assistant managers, and any other individual, other than non-gaming equipment maintenance personnel, cleaning personnel, waiters, waitresses, and secretaries, or other as

determined by the Board, whose employment duties require or authorize access to Designated Gaming Areas.

Enforcement Action Any action instituted by the Division upon the conclusion of an investigation into a violation of the Act or of the Regulations adopted pursuant to the Act, a violation of a condition, restriction or limitation placed on a License or Permit, a violation of the Casino's Rules of Play, or a violation of the Casino Operator's Internal Controls as Approved by the Division, to consider sanctions authorized by and adjudicated in accordance with the Act, including the suspension, revocation or conditioning of a License or Permit, or the assessment of a fine.

Excluded Person any Person who has been placed on the Exclusion List by the Division and who has failed to timely request a hearing or who remains on the list after a final determination.

Exclusion List a list or lists which contain identities of Persons who are excluded from any Licensed Gaming Operation pursuant to the Act.

FF&E (Furniture, Fixtures and Equipment) any part of the Casino that may be installed or put into use as purchased from a Manufacturer, Supplier, or non-gaming Supplier, including but not limited to Gaming Devices, television cameras, television monitors, computer systems, computer programs, computers, computer printers, ready made furniture and fixtures, appliances, accessories, and all other similar kinds of equipment and furnishings for the conducting of Gaming Operations at the Casino.

Financial Records those records which in the opinion of the Board, or Chairman, relate to the finances, earnings or revenue of an Applicant, Licensee, Permittee, registrant or other Person or transaction for which or for whom Approval or a finding of suitability has been requested or granted.

Financial Statements those statements and the information contained therein which relate to the assets, expenses, owner's equity, finances, earnings, or revenue of an Applicant, Licensee, Permittee, registered company, or Person who provides such records as part of an Application or Division investigation.

Finder's Fee

a. any compensation in money in excess of the sum of \$5,000 annually, or real or personal property valued in excess of the sum of \$5,000 annually, which is paid or transferred or agreed to be paid or transferred to any Person in consideration for the arranging or negotiation of an extension of credit to the Casino, a registered company, or Applicant for Licensing, Permitting or registration if the proceeds of such extension of credit are intended to be used for any of the following purposes:

i. the acquisition of an Interest in the Casino, License, Licensed Gaming Operation or registered company;

ii. to finance the Gaming Operations of the Casino, License, Licensed Gaming Operation or registered company.

b. the term *finder's fees* shall not include:

i. compensation to the Person who extends the credit;

ii. normal and customary payments to employees of the Person to whom the credit was extended if the arranging or negotiation of credit is part of their normal duties;

iii. normal and customary payments for bona fide professional services rendered by lawyers, accountants, engineers and appraisers;

iv. underwriting discounts paid to a member of the National Association of Securities Dealers, Inc.;

v. normal and customary payments to a Person qualifying as a Suitable Lender, as defined by the Casino Operating Contract.

c. it is an unsuitable method of operation or practice for the Casino Operator, registered company or Applicant for Licensing, Permitting or registration to pay a Finders Fee without the prior Approval of the Board. An Application for Approval of payment of a Finders Fee shall make a full disclosure of all material facts. The Board may disapprove any such Application if the Person to whom the Finders Fee is proposed to be paid does not demonstrate that he is suitable.

Fiscal Year

a. *(Casino Operator)* The period beginning April 1 and ending March 31 the following year. The *First Fiscal Year* shall be the period commencing on the Casino Opening Date and ending on the first March 31st to occur after the Casino Opening Date. The term *Full Fiscal Year* means any Fiscal Year containing not fewer than three hundred sixty-five (365) days. A Fiscal Year containing 366 three hundred sixty-six (366) days is a *Fiscal Leap Year*. Any partial Fiscal Year ending with the expiration of the Term but not ending due to a termination as a result of an Event of Default shall constitute the *Last Fiscal Year*.

b. *(State)* The period beginning July 1 and ending June 30 the following year.

Funds money or anything of value.

Game any banking or percentage game located exclusively within an Official Gaming Establishment which is played with cards, dice, or any electronic, electrical, or mechanical device or machine for money, property, or any thing of value. Game does not include lottery, bingo, charitable games, pull tabs, raffles, electronic video bingo, cable television bingo, dog race wagering, horse wagering, or any wagering on any type of sports event, inclusive but not limited to, football, basketball, baseball, hockey, boxing, tennis, wrestling, jai alai, or other sports contest or event.

Gaming Activities or Gaming Operations the offering or conducting of any Game or Gaming Device in the Casino.

Gaming Board's Controlled Space the space in the Casino reserved exclusively for and accessible only by the Gaming Board, the State Police and their representatives for the purposes of performing on-site regulatory, monitoring and surveillance functions of the Casino.

Gaming Device or Gaming Equipment any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine, including an Electronic Gaming Device, or Slot Machine used directly or indirectly in connection with Gaming or any Game, which affects the result of a Wager by determining Win or loss. The term includes a system for processing information which can alter the normal criteria of random selection, which effects the operation of any Game, or which determines the outcome of a Game. The term does not include a system or device which affects a Game solely by stopping its operation so that the outcome remains undetermined.

Gaming Employee any Person employed or working in any capacity at the Casino in the operation or supervision of a Game including: pit bosses (pit managers), floormen, boxmen, dealers or croupiers, device technicians, Designated Gaming Area security employees, count room personnel, cage personnel, Slot Machine and slot booth personnel, credit and collection personnel, Casino surveillance personnel, bartenders that are allowed to make change for Gaming and supervisory personnel empowered to make discretionary decisions that regulate Gaming Activities, including shift bosses, credit executives, Casino cashier supervisors, Gaming managers and assistant managers, and any other individual, other than non-gaming equipment maintenance personnel, cleaning personnel, waiters, waitresses, and secretaries or other as determined by the Board, whose employment duties do not require or authorize access to Designated Gaming Areas.

Gaming Jurisdiction any other jurisdiction wherein Gaming Activity is allowed pursuant to state or federal legislation and a tribal state compact and any foreign jurisdiction allowing Gaming Activities.

Gaming Supplies all materials and supplies other than gaming Devices which the Board Approves to be used or expended in Gaming Operations or activities through the Regulations.

Gross Gaming Revenue means the total receipts of the Casino Operator from Gaming Operations, including all cash, checks, property and credit extended to a Patron for purposes of Gaming less the total value of all:

a. amounts paid out as Winnings to Patrons; and

b. credit instruments or checks which are uncollected subject to an annual cap of uncollected credit instruments and checks of four percent (4%) of the total receipts of the Casino Operator from Gaming Operations, including all cash, checks, property and credit extended to a Patron for purposes of Gaming in a Fiscal Year. Winnings for purposes of the definition of Gross Gaming Revenue means the total amount delivered by a Gaming Device as Win to a Patron or the amount determined by the Approved table game odds as Win to a Patron, exclusive of any double jackpots, increased Payouts in addition to table game odds or other increased Payouts that result from promotional activities, unless Approved in advance by the Board.

Holding Company or Intermediary Company a company that has the power or right to Control a company which holds or applies for a License or a Permit.

Inspection periodic surveillance and observation by the Division of operations conducted by the Casino Operator or Permittee, which surveillance and observation may or may not be made known to the Casino Operator or Permittee.

Internal Control System internal procedures and administration and accounting controls designed by the Casino Operator and Approved by the Board and/or Division, for the purpose of exercising Control over the Gaming Operations and for complete and accurate calculation and reporting of financial data including the Louisiana Gross Gaming Revenue Share Payments.

Junket Representative

a. any Person who contracts with the Casino Operator or their Affiliates to provide services consisting of

arranging transportation to the Casino where the Person is to receive compensation based upon either:

i. a percentage of win/drop of the Casino Patrons;
ii. a percentage of the theoretical win/drop of the Casino Patrons; or

iii. any other method of compensation that is contingent on or related to the Gaming activity of Casino Patrons including, but not limited to, any *lump sum* or *flat rate* compensation.

b. the term *junket representative* shall not include:

i. the Casino Operator and Casino Manager and their employees or any licensed or approved Affiliate;

ii. a supplier of transportation or a travel agency, whose compensation is based solely upon the price of transportation arranged for by the agency; or

iii. a Person that is paid a diminimus fixed fee for each Casino Patron that the Person brings to the Casino provided that:

a. the fixed fee does not exceed \$20.00 for each Casino Patron;

b. no portion of the compensation paid is based upon the gaming activity of the Patron at the Casino; and

c. the Patron complies with all of the vendor registration requirements for non-gaming vendors set forth in Section 2165 of these Regulations.

Key Gaming Employee any individual who is employed in a managerial or supervisory capacity and who is empowered to make discretionary decisions that regulate gaming activities including, but not limited to, the general manager and assistant general manager of the Casino, director/manager of finance, accounting controller, director/manager of cage and/or credit operations, director/manager of casino operations, director/manager of table games, director/manager of slots, slot performance director/manager, casino shift directors/managers, director/manager of security, director/manager of surveillance, director/manager of management information systems, and such other positions which the Division or the Board shall later determine, based on detailed analysis of job descriptions as provided in the internal controls of the Casino Operator Approved by the Division. Only the individual head of each department/section shall be considered a key gaming employee, and no person shall commence work or perform any duties in any of the above positions without Approval of the Board. Additionally, no single key gaming employee other than the general manager or assistant general manager shall oversee more than one department except in an emergency situation as Approved by the Board. All other gaming employees, unless determined otherwise by the Board, shall be classified as nonkey gaming employees.

License or Gaming License authorization by the Board to conduct Gaming Activities in the Casino or on a riverboat pursuant to Title 27 of the Louisiana Revised Statutes, the Regulations and/or the Casino Operating Contract.

Licensee a Person authorized by the Board to conduct Gaming Activities in the Casino or on a riverboat pursuant to Title 27 of the Louisiana Revised Statutes, the Regulations and/or the Casino Operating Contract.

Manufacturer is any Person that manufactures, assembles, produces, or programs any Gaming Device or Gaming Supplies for sale, use or play in this state.

Manufacturer Permit a Permit issued to any Person who manufactures, assembles, produces or programs any Gaming Devices or Gaming Supplies for sale, use or play in this state.

Motion Activated Dedicated Camera a video camera which, upon its detection of activity or motion in a specific area, begins to record the activity or area.

Non-Gaming Employee an employee of the Casino Operator or Casino Manager who is not employed in the supervision or operation or assisting in the operation of a Gaming Activity or performing in a Key Gaming Employee capacity.

Non-Gaming Supplier or Supplier of goods or services other than Gaming Devices or Gaming Equipment any Person who sells, leases or otherwise distributes, directly or indirectly, goods and/or services other than Gaming Devices and Gaming Equipment to the Casino.

Non-Gaming Supplier Permit the required Permit for a Non-Gaming Supplier who, unless otherwise exempted, Sells, leases or otherwise distributes, directly or indirectly, goods and/or services to the Casino in excess of fifty thousand dollars (\$50,000.00) for any twelve month period.

Notice a writing delivered by hand or mailed postage prepaid, by certified or registered mail, return receipt requested to a Person at his address.

Official Gaming Establishment see Casino

Own (hold or have) having an interest in a corporation, partnership, Holding Company, affiliate, or other form of business entity, or a security of a publicly traded corporation if such Person or any associate of such Person has a record of beneficial ownership therein.

Patron an individual who is at least 21 years of age and who has lawfully placed a Wager in an authorized Game in the Casino.

Payout winnings earned on a Wager.

Permit any Permit or authorization or Application therefor issued pursuant to the Act other than a Gaming License.

Permittee any employee, agent, Person, or entity who is required to be issued or applying for a Permit pursuant to the Act. Permittee does not include an Applicant in those particular sections or subsections where an Applicant is treated differently than a Permittee.

Person means any individual, partnership, corporation, association, unincorporated association or organization, limited liability company, limited liability partnership, trust or other juridical entity or any governmental agency, body or subdivision.

Premises Land, together with all buildings, improvements, and personal property located thereon.

PTZ Camera a video camera which possesses, at a minimum, pan, tilt and zoom capabilities or features comparable thereto.

Public Offering a sale of Securities (other than Employee Stock Option Plans - *ESOP*) that is subject to the registration requirements of Section 5 of the Federal Securities Act, or that is exempt from such requirements solely by reason of an exemption contained in Section 3(a)(11) or 3(c) of said Act or Regulation A adopted pursuant to Section 3(b) of said Act.

Public Record any paper, document, or other Record required to be kept or necessary to be kept, in the discharge

of a duty imposed by law, not declared confidential by statute or regulation.

Randomness the observed unpredictability and absence of pattern in a set of elements or events that have definite probabilities of occurrence.

Records accounts, correspondence, memorandums, audio tapes, video tapes, computer tapes, computer disks, electronic media, papers, books, and other documents or transcribed information of any type, whether expressed in ordinary or machine language.

Regulations regulations adopted by the Board pursuant to and authorized by La. R.S. 27:24.

Renewal Applicant a Person who has filed any part of an Application for renewal of any License or Permit authorized by the Act.

Renewal Application all of the information, documents, forms, and materials required by the Act and Regulations to be filed with the Division to renew any License or Permit authorized by the Act.

Restricted Sensitive Keys those keys which can only be reproduced by the manufacturer of the lock. These keys include but are not limited to:

- a. slot drop cabinet keys;
- b. slot release keys;
- c. bill validator contents keys;
- d. table drop release keys;
- e. table drop contents keys;
- f. cage entrance keys;
- g. count room keys;
- h. high level Caribbean Stud key;
- i. vault entrance key;
- j. CCOM (processor) keys;
- k. card and dice storage keys;
- l. slot office storage box keys;
- m. dual lock box keys;
- n. change bank/booth keys;
- o. secondary chip access keys;
- p. weight calibration key.

Secondary Representative any Person other than the clerical personnel and ticket takers not otherwise exempted by the definition of Junket Representative who receive any form of compensation from a licensed Junket Representative for assisting a licensed Junket Representative, in connection with junkets to the Casino.

Securities any stock; membership in an incorporated association; bond; debenture; or other evidence of indebtedness, investment contract, voting trust certificate, certificate of deposit for a security; or, in general, any interest or instrument commonly known as a security; or any certificate of interest or participation in, temporary or interim certificate for, receipt for, or warrant or right to subscribe to or purchase, any of the forgoing regardless of whether evidenced in writing.

Security the protection of information that would or could provide an unfair advantage to any individual involved in the operation of the Casino; protection and preservation of the integrity of the Games and operations; as well as measures taken to maintain order and prevent crimes against the Casino Operator, Persons in the Official Gaming Establishment or the State.

Slot Machine any mechanical, electrical, or other device, contrivance, or machine which, upon insertion of a

coin, currency, token, or similar object therein or upon payment of any consideration whatsoever, is available to play or, operate the play or operation of which, whether by reason of the skill of the operator or application of the element of chance, or both, may deliver or entitle the person playing or operating the machine to receive cash, premiums, merchandise, tokens, or anything of value, whether the payoff is made automatically from the machine or in any other manner.

Subsidiary includes, without limitation, any Person, other than an individual, which is a Controlled Affiliate of another Person, other than an individual.

Supervisor the individual in charge of the Division or such other Person who may be lawfully delegated authority to act on behalf of the Supervisor.

Supplier of Gaming Devices and Gaming Equipment any Person that Sells, leases, markets, offers, or otherwise distributes, directly or indirectly, any Gaming Devices or Gaming Equipment for use or play in this state or Sells, leases, or otherwise distributes any Gaming Devices or Gaming Equipment.

Surveillance Room a secure location in the Official Gaming Establishment that is used primarily for Casino surveillance. The Official Gaming Establishment may have more than one Surveillance Room.

Surveillance System a system of video cameras, monitors and recorders that is used for Casino surveillance.

Token a metal representative of value, redeemable for cash, and issued and sold by the Casino Operator for use in Electronic Gaming Devices, table games or counter games at the Casino.

Trade Secrets includes any matter the disclosure of which might tend to weaken a competitive advantage, whether concerning a unique, rare or common practice, discovery, or anything whatsoever. Examples of Trade Secrets include but are not limited to operational methods marketing information; patron information; patron lists; design of equipment; routing memoranda; payroll schedules; bookkeeping and accounting procedures; internal monetary control systems; equipment and component sources; Patron lists; proprietary information; and bid formulas.

Wager a sum of money or thing of value risked on a game.

Win the total of all cash and property (including checks received by the Casino, whether collected or not) received by the Casino from Gaming Operations, less the total of all cash and property paid out as Winnings to Patrons.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§1909. Casino Operator is Licensee

A. These Regulations, subject to any rights in the Casino Operating Contract, intend for the terms Casino Operator and Licensee, to have the same meaning.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§1911. Obligations, Duties, Responsibilities of a Casino Manager

A. In the event the Casino Operator subcontracts all, or substantially all of the services for the day-to-day

management and operation of the Casino, pursuant to the Casino Operating Contract, to a Casino Manager, the Casino Manager's acts or omissions shall be considered the acts or omissions of the Casino Operator. All obligations, duties, and responsibilities imposed on the Casino Operator by these Regulations, that the Casino Operator has subcontracted with a Casino Manager to perform or that the Casino Manager has undertaken to perform, shall be the obligations, duties and responsibilities of the Casino Manager and the Casino Operator.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 21. Applications; Suitability, Permitting and Licensing

§2101. General Provisions

A. All Persons required by the provisions of the Casino Act, the Regulations or by the Board to be Licensed, Registered, Permitted, Approved or otherwise found suitable shall be required to comply with this Chapter and all other applicable provisions of the Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2103. Applications in General

A. Any License or Permit issued by the Board or Division is deemed to be a revocable privilege, and no Person holding such a License or Permit is deemed to have acquired any vested rights therein, subject to any rights in the Casino Operating Contract. An Applicant for a License or Permit authorized by the Act and/or these Regulations, is seeking the granting of a privilege, and the burden of proving his qualification to receive the License or Permit is at all times on the Applicant. An Applicant accepts the risk of adverse public notice, embarrassment, criticism, or other action or financial loss that may result from action with respect to an Application and expressly waives any claim for damages as a result thereof, except relating to willful misconduct by the Division. The filing of an Application under the Act and the Regulations constitutes a request for a decision upon the Applicant's general suitability, character, integrity, and ability to participate or engage in or be associated with the Casino, and by filing an Application, the Applicant specifically consents to the making of such a decision by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2105. Applicants in General; Requirements

A. The securing of a License or Permit required under the Act is a prerequisite for conducting, operating, or performing any activity regulated by the Act. Each Applicant must file a complete Application as prescribed by the Board and Division, which may include without limitation, the following:

1. if the Applicant is a general partnership or joint venture, each individual partner and joint venturer may be required to complete an Application;

2. if the Applicant is a corporation, each officer and director of the corporation may be required to file a personal

history form. Any shareholder with five percent or more of the corporation may be required to file a completed personal history form, and if such shareholder is other than a natural Person, then each officer, director, or Person with an economic interest equal to or greater than five percent (5%) in the Applicant may be required to file a personal history form;

3. if the Applicant is a limited partnership, the general partner and each limited partner having five percent (5%) or more interest may be required to file a complete application. If the partner or limited partner is other than a natural Person, then each officer, director, or Person with an Economic Interest equal to or greater than five percent (5%) in the Applicant may be required to file a personal history form;

4. if the Applicant is a limited liability company, pursuant to Louisiana R.S. 12:1301 et seq., each officer or manager of the company may be required to file a personal history form. Any member of five percent (5%) or more of the company may be required to file a personal history form, and if such member is other than a natural Person, then each officer, director or Person with an economic interest equal to or greater than five percent (5%) in the Applicant may be required to file a personal history form;

5. if the Applicant is a registered limited liability partnership, pursuant to Louisiana R.S. 9:3431 et seq., the managing partner and each partner having five percent (5%) or more interest may be required to file a personal history form. If the partner is other than a natural Person, then each officer, director or Person with an economic interest equal to or greater than five percent (5%) in the Applicant may be required to file a personal history form.

B. A personal history form may be required to be filed by any Person who in the sole discretion of the Board is determined to:

1. have influence over the operation of Gaming at the Landbased Casino;

2. receive any share or portion of the Gaming money or property won by the Casino Operator at the Landbased Casino; or

3. receive compensation or remuneration in excess of \$50,000 per annum as an employee of a Permittee or in exchange for any service or thing provided to a Permittee that transacts business with the Casino Operator or Casino Manager; or

4. be a lessor or provider of goods or services; or

5. have any contractual agreement with a Permittee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2107. Form of Application

A. An Application for a *finding of suitability* or Permit must be filed by way of forms prescribed by and obtained from the Division. Such forms may include, but not be limited to:

1. historic record regarding the background for the ten-year period preceding submission of the Application, unless otherwise extended by the Chairman;

2. a financial statement;

3. statement disclosing the nature, source, and amount of any financing, the proposed uses of all available funds,

the amount of funds available after opening for the actual operation of the Casino, and economic projections for the first three years of operation of the Casino;

4. an affidavit of full disclosure, signed by the Applicant;

5. an authorization to release information to the Division and Board, signed by the Applicant;

6. a standard bank confirmation form, signed by the Applicant;

7. a release of all claims, signed by the Applicant;

8. security statement explaining the type of security procedures, practices, and personnel to be utilized by the Applicant; and

9. in addition, the Division may require an Applicant to provide such other information and details as it needs to discharge its duties properly. Failure to supply any information within the prescribed time periods, after receiving the Division's or the Board's request, may constitute grounds for delaying consideration of the Application and/or constitutes grounds for denial of the Application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2109. Additional Information Required from a Casino Operator Applicant

A. Every Casino Operator Application shall contain the following additional information including but not limited to:

1. two copies of detailed plans of design of the Casino, including a layout of each floor stating the projected use of each area;

2. the total estimated cost of construction of the Casino, proposed by this Application, distinguishing between known costs and projections, and shall separately identify:

- a. facility design expense;
- b. land acquisition or site lease costs;
- c. site preparation costs;
- d. construction cost or renovation cost;
- e. equipment acquisition cost;
- f. cost of interim financing;
- g. organization, administrative and legal expenses;
- h. projected permanent financing costs;

3. the construction schedule proposed for completion of the Casino; including therein a projected date of completion. Indicate whether the construction contract includes a performance bond;

4. explanation and identification of the source or sources of funds for the construction of the Casino;

5. description of the Casino size and approximate configuration of Slot Machines, video games of chance and table games;

6. the adequacy of security enforcement in the Casino;

7. the type of Slot Machines and video games of chance to be used; also, indicate the proposed Suppliers and Manufacturers of this equipment;

8. the proposed management of the facility, management personnel by function and organizational chart by position.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2111. Application Filing Fees

A. All monies deposited by an Applicant to defray the costs associated with the Applicant investigation conducted by the Division must be deposited into a designated State treasury fund.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2113. Fees for Issuance of Permits

A. The non-refundable fees for Permits and Renewals.

1. Key Gaming Employees:

a. \$500 Initial Application Fee plus actual costs of performing investigation according to the rates set forth in subsection B;

b. \$200 Renewal Fee plus any necessary investigation cost according to the rates set forth in subsection B.

2. Non-Key Gaming Employees:

a. \$100 Initial Application Fee plus actual costs of performing investigation according to the rates set forth in subsection B;

b. \$35 Renewal Fee.

3. Non-Gaming Employees:

a. \$25 Initial Application Fee;

b. \$15 Renewal Fee.

4. Manufacturer of Slot Machines:

a. \$2500 Initial Application Fee and \$10 per machine application fee plus costs of performing investigation according to the rates set forth in subsection B;

b. \$2500 Renewal Fee .

5. Manufacturer of Other Gaming Devices and Gaming Equipment:

a. \$2500 Initial Application Fee plus actual costs of performing investigation according to the rates set forth in subsection B;

b. \$2500 Renewal Fee..

6. Distributor of Gaming Devices and Gaming Equipment:

a. \$1500 Initial Application Fee plus actual costs of performing investigation according to the rates set forth in subsection B;

b. \$1500 Renewal Fee.

7. Non-Gaming Vendor:

a. \$250 Initial Application Fee for vendors conducting business with the Casino in annual, aggregate amount of \$50,000 or more;

b. \$100 Renewal Fee;

c. Vendors covered by subsection 7(a) shall pay actual costs of investigations according to the rates set forth in subsection B if required to submit to suitability.

B. Costs of suitability investigation shall be billed at the following rates:

1. \$40 per hour of investigation;

2. \$30 per hour of travel pursuant to investigation.

C. Any Person failing to pay any Permit fee due at the time provided shall pay in addition to such Permit fee a

penalty of not less than (\$25) twenty-five dollars or (25%) twenty-five percent of the amount due, whichever is greater.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2115. Application Investigations

A. The Division shall investigate all Applications for Licenses or Permits or other matters requiring Division approval. The Division may investigate, without limitation, the background of the Applicant, the suitability of the Applicant, the suitability of the Applicant's finances, the Applicant's business probity, the suitability of the proposed premises for Gaming, the suitability of a Person with an economic interest in the Applicant of five percent (5%) or more, and the proposed establishment's compliance with all applicable federal, state, and municipal laws and regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2117. Conduct of Applicant Investigation; Time Requirements

A. All investigations conducted by the Division in connection with an Application must be conducted in accordance with the Act.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2119. Access to Applicants' Premises and Records

A. Each Applicant shall upon request immediately make available for inspection by the Division or Agents of the Division, all papers, Books and Records used, or to be used, in the Licensed or Permitted operation. The Division, or any Agent of the Division, shall be given immediate access to any portion of the premises of the Casino or premises of a Manufacturer or Supplier for the purpose of inspecting or examining any records or documents required to be kept under the provisions of the Act and the Regulations and any Gaming Device or equipment or the conduct of any Gaming Activity. Access to the areas and records that may be inspected or examined by the Division, or Division Agents, must be granted to any such individual who displays Division credentials.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2121. Applications; Timetable for Financing and Construction

A. In conjunction with a Casino Operator's or Casino Manager's submission of its completed Application, an Applicant shall submit an estimated timetable for financing arrangements, commencement and completion of construction activities and set forth the projected date upon which Gaming Activities will begin. This timetable will be subject to Approval by the Board, and monitored for compliance by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2123. Fingerprinting

A. An initial Application is not complete unless all Persons required by the Division have submitted to fingerprinting by or at the direction of the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2125. Application; Refusal to Answer

A. An Applicant may claim any privilege afforded by the Constitution of the United States or of the State of Louisiana in refusing to answer questions on the Application, but a claim of privilege with respect to any testimony or evidence pertaining to an Application may constitute sufficient grounds for denial of the Application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2127. Information Constituting Grounds for Delay or Denial of Application; Amendments

A. It is grounds for denial of the Application or enforcement action for any Person to make any untrue statement of material fact in any Application, or in any statement or report filed with the Division or Board, or any statement or report required by the Act of these Regulations to be filed with the Board, or to willfully omit in any such Application, statement or report, any material fact which is required to be stated therein, or which is necessary to make the facts stated not misleading.

B. All information included in an Application must be true and complete to the best of the Applicant's knowledge, and in the opinion of the Division as of the date submitted. An Applicant shall immediately supply by amendment any new information based on facts occurring after the original Application.

C. An Application may be amended upon Approval of the Supervisor. An amendment to an Application may have the effect of establishing the date of such amendment as the filing date of the Application with respect to the time requirements for action on the Application. Request for amendment to an Application must be in writing and submitted to the Division.

D. Upon request of the Board or Division for additional information, the Applicant shall provide the requested information with ten days of notice of the request or within such additional time as set forth by the Board or Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2129. Tax Clearances Required of an Applicant

A. The Applicant, officers, directors and any Person with an equity interest of five percent (5%) or more in an Applicant must receive tax clearances from the appropriate Federal and State agencies prior to the granting of a finding of suitability, except for those granted a presumption of suitability in accordance with §2143 of these Regulations.

B. The Applicant, its officers, directors and any Person with an equity interest of five percent (5%) or more shall remain current in filings of tax returns and the payments required pursuant to such returns.

C. The violation of this section is grounds to condition, suspend, or revoke a Permit or License.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2131. Tax Clearances Required of a Gaming Employee

A. An Applicant for a Gaming Employee Permit shall be current in filing all applicable tax returns and in the payment of all taxes, interest and penalties owed to the State of Louisiana and the Internal Revenue Service, excluding contested amounts pursuant to applicable statutes, and items for which the Department of Revenue and Taxation or the Internal Revenue Service has accepted a payment schedule of back taxes.

B. It shall be the sole responsibility of a Gaming Employee Permittee to remain current in filing all applicable tax returns and in the payment of all taxes, interest and penalties owed to the State of Louisiana and the Internal Revenue Service, excluding contested amounts pursuant to applicable statutes, and items for which the Department of Revenue and Taxation or the Internal Revenue Service has accepted a payment schedule of back taxes.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2133. Withdrawal of Application

A. A request for withdrawal of an Application must be made in writing to the Board at any time prior to issuance by the Board of its determination with respect to the Application. The Board may deny or grant the request with or without prejudice.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2135. Application After Denial

A. Any Person whose Application for License or Permit has been denied by the Hearing Officer, and who has not successfully appealed the decision of denial to the Board, or whose Application has been withdrawn with prejudice is not eligible to reapply for any Approval authorized by the Act for a period of five years unless the Board rules that the denial is without prejudice.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2137. Suitability Determination of a Casino Operator Applicant

A. The Casino Operator Applicant, its officers or directors, or any Person, having a five percent (5%) or more interest in the Casino Operator Applicant shall be required to submit to an investigation to determine suitability. Except as otherwise provided, all costs associated with conducting an investigation for suitability of the Casino Operator Applicant, an officer or director, or any Person having a direct or indirect Economic Interest in the Casino Operator Applicant shall be borne by the Casino Operator Applicant and/or the person who is the subject of the investigation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2139. Other Considerations for Finding of Suitability

A. §2137 through 2151 of these Regulations set forth criteria which the Board may consider when deciding whether to issue a finding of suitability to conduct Casino Gaming. The various criteria set forth may not have the same importance in each instance. Other factors may present themselves in the consideration of an Application for a finding of suitability. The following criteria are not listed in order of priority.

1. Proper financing. The Board may consider whether the proposed Casino is properly financed.

2. Adequate security. The Board may consider whether the proposed Casino is planned in a manner which provides adequate Security for all aspects of its operation and for the people working or visiting the Casino.

3. Character and reputation. The Board may consider the character and reputation of all Persons identified with the ownership and operation of the Casino, and their capability to comply with the Regulations, and the provisions of the Act.

4. Miscellaneous. The Board may consider such other factors as may arise in the circumstances presented by a particular Application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2141. Suitability; License and Permits

A. No Person shall be eligible to conduct Gaming Operations at the Casino or obtain any License or Permit issued pursuant to the provisions of the Act or these Regulations unless the Board is satisfied that the Applicant is suitable. To be found suitable, the Applicant must prove by clear and convincing evidence that he is:

1. a Person of good character, honesty, and integrity.

2. a Person whose prior activities, criminal record, reputation, habits, and associations do not pose a threat to the public interest of this state or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto;

3. is capable of and likely to conduct the activities for which the Applicant or Casino Gaming Operator is Licensed or Approved in accordance with the provisions of the Act and these Regulations.

B. For purposes of entering into a Casino Operating Contract, the Casino Operator Applicant shall also demonstrate by clear and convincing evidence that:

1. he has or guarantees acquisition of adequate business competence and experience in the operation of Casino Gaming Operations;

2. the proposed financing of the conducting of Casino Gaming Operations is:

a. adequate for the nature of the proposed operation;

b. from a suitable source;

c. he has or is capable of and guarantees the obtaining of a bond or satisfactory financial guarantee of

sufficient amount, as determined by the Board, to guarantee successful completion of and compliance with the Casino Operating Contract or such other projects which are regulated by the Board.

C. All Casino Operators, Licensees, Permittees, registrants, and Persons required to be found suitable under this Chapter have a continuing duty to inform the Board of any action which they believe would constitute a violation of this Chapter. No Person who so informs the Board shall be discriminated against by an Applicant, the Casino Operator, Permittee, or registrant because of supplying such information.

D. The Applicant, if a natural Person, is a Louisiana domiciliary and if not, is a Louisiana corporation, partnership, limited liability company, or a registered limited liability partnership Licensed to conduct business in the State of Louisiana.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2142. Criteria For The Issuances Of Permits

A. All Applicants for any type of Permit issued by the Division as authorized by the Act shall meet the qualification requirements contained in La.R.S. 27:234 and 27:235, as well as the qualification requirements contained in the Regulations promulgated pursuant to the Act.

B. All Applicants for any type of Permit issued by the Division as authorized by the Act shall pay all fees required by the Act or the rules promulgated pursuant to the Act prior to the issuance of Permit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2143. Suitability of Casino Operator

A. The following Persons shall demonstrate their suitability and qualification to the Board by clear and convincing evidence:

1. a Casino Operator;
2. a Casino Manager;
3. an Affiliate of the Casino Operator;
4. certain holders of debt and/or equity interest in one or more of the Casino Operator and its Affiliates;
5. all other Persons, who either alone or in combination with others, have the ability to significantly and directly affect or influence the affairs of a Casino Operator or a Casino Manager;
6. a Person with respect to whom a finding of suitability is necessary in order to insure that the policies of the Act and the integrity of gaming operations are protected; and
7. any other Person that the Board, in its sole discretion, directs to demonstrate its suitability and qualifications.

B. For the purposes of this Section, any Persons holding, owning or controlling a direct or beneficial interest (this shall include any rights created in any counter-letter, option, convertible security or similar instrument) in the following Persons shall be presumed to have the ability to significantly and directly influence or affect affairs of a Casino Operator or a Casino Manager unless the presumption is rebutted by clear and convincing evidence:

1. any Persons holding, owning or controlling a 5% or more equity interest or outstanding voting Securities (including holdings in trust and whether as settlor, trustee or beneficiary) in a non-publicly traded Casino Operator, Casino Manager, Holding Company or Intermediary Company of the Casino Operator or the Casino Manager.

2. any Persons holding, owning or controlling a 5% or more equity interest or outstanding voting Securities or rights in a publicly traded Casino Operator, Casino Manager or any publicly traded Holding Company or Intermediary Company of the Casino Operator or the Casino Manager.

C. Notwithstanding the terms of Subsection B above, the following Persons shall not be automatically deemed to have the ability to significantly and directly influence the affairs of the Persons or entities identified above requiring a finding of suitability:

1. a holder or owner of a Security or other interest that is convertible or exercisable into an equity or ownership interest in a Publicly Traded Intermediary or Holding Company of the Casino Operator or Casino Manager, prior to the time that the Security or other interest is converted or exercised. A holder or owner of a convertible interest shall seek the Approval of the Board before exercising the conversion rights unless, after conversion such person will hold, own or Control less than 5% of the total outstanding equity or ownership interests in the Intermediary or Holding Company of the Casino Operator or Casino Manager.

D. Notwithstanding the terms of Subsection B above, a person who is a passive institutional investor who does not, directly or indirectly influence or affect the affairs of the Casino Operator or the Casino Manager may be presumed suitable if:

1. the Person is:
 - a. a plan or trust established and maintained by the United States government, a State, a political subdivision of a state for the benefit of their respective employee;
 - b. an investment company that is registered under the Investment Company Act of 1940;
 - c. a Collective Investment Trust organized by a bank under Part Nine of the Rules of the Comptroller of the Currency;
 - d. a closed-end investment trust registered with the United States Securities and Exchange Commission;
 - e. a mutual fund;
 - f. a life insurance company a property and casualty insurance company with assets in excess of \$1 billion;
 - g. a Federal or State bank;
 - h. an investment advisor registered under the Investment Advisors Act of 1940; and

2. within 60 days of acquiring a 5 percent or greater equity interest in the Casino Operator, a holding company or intermediary company thereof or a Casino Manager, files with the Board a petition that requests a granting by the Board of a presumption of suitability and contains a statement that such Person does not and has no intention of directly or indirectly influencing the affairs of the Casino Operator or Casino Manager.

3. the provisions of this subsection shall not prevent the institutional investor from voting on matters put to vote by the outstanding shareholders.

E. The Board may in its sole discretion rescind the presumptions of suitability set for in §2143.D and require any Person, including the Persons described in §2143.D above, to demonstrate such Person's suitability in accordance with the Act and these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2145. Presumption of Suitability of Certain Lenders

A. Any Person with a security interest in immovable or movable property used in Gaming Operations shall be required to demonstrate his suitability to the Board.

B. In connection with Subsection A above, the following may be presumed suitable in connection with any transaction which is otherwise in compliance with these Regulations.

1. An insurance company regulated by any state of the United States;

2. Any investment company registered under the Investment Company Act of 1940;

3. Any plan established and maintained by a state, its political subdivision, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees;

4. Any trust fund the trustee of which is a bank or trust company and the participants of which are exclusively plans of the type identified in Subsection (B)(3) above;

5. Any investment adviser registered with the United States Securities and Exchange Commission;

6. Any real estate investment trust registered with the United States Securities and Exchange Commission;

7. Any dealer registered pursuant to Section 15 of the Securities and Exchange Act of 1934;

8. Any *qualified institutional buyer* (as defined in Rule 144A under the Securities Act of 1933), and any entity, all of the equity owners of which are *qualified institutional buyers* (as defined rule 144 A under the Securities Act of 1933), acting for its own account or the accounts of other qualified institutional buyers;

9. Any bank as defined in Section 3(a)(2) of the Securities Act of 1933, any savings and loan association or other institution as referenced in Section 3(a)(5)(A) of the Securities Act of 1933, or any foreign bank or savings and loan association or equivalent institution or any investment fund that participates in a bank syndication (and any purchaser that takes an assignment or other participation interest in the bank syndication);

10. Any investor or group of investors purchasing debt securities of the Casino Operator (or a subsidiary of the Casino Operator) in any public offering registered pursuant of the Securities Act of 1933 or through any private placement, and any investor purchasing such securities in a subsequent sale, provided, however, that such securities are widely held and freely traded (and the investor holds no more than 20% of the Casino Operator's total debt or 50% of a material debt issue unless otherwise Approved by the Board), so as not to give such investor the ability to control the Casino Operator or the Casino Manager;

11. Any business development company as defined in Section 2(a)(48) of the Investment Company Act of 1940;

12. Any business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;

13. Any person found suitable and Approved by the Board.

C. The Board, in its sole discretion, may rescind the presumption of suitability set forth in Subsection B and require any lender or investor to demonstrate its suitability in accordance with the terms of the Act and these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2147. Safe Harbor

A. If at any time the Board finds that (a) an Affiliate or (b) a holder of a debt or equity interest in (i) the Casino Operator, (ii) the Casino Manager or (iii) any of their respective Affiliates, that is required to be and remain suitable has failed to demonstrate suitability, the Board may, consistent with the Act and the Casino Operating Contract, take any action that the Board deems necessary to protect the public interest. Provided however if, (a) an Affiliate or (b) a holder of a debt or equity interest in (i) the Casino Operator, (ii) the Casino Manager or (iii) any of their respective Affiliates associated with the Casino Operator, the Casino Manager or Affiliates has failed demonstrate suitability, the Board shall take no action to declare the Casino Operator, Casino Manager, or Affiliates, as the case may be, not suitable based upon such finding, if the affected Casino Operator, Casino Manager or Affiliates takes immediate good-faith action (including the prosecution of all legal remedies) and complies with any order of the Board to cause such Person failing to demonstrate suitability to dispose of such Person's interest in the affected Casino Operator, Casino Manager or Affiliates, and that pending such disposition such affected Casino Operator, Casino Manager or Affiliates, from the date of notice from the Board of a finding of failure to demonstrate suitability, ensures that the Person failing to demonstrate suitability:

1. does not receive dividends or interest on the securities of the Casino Operator, Casino Manager or Affiliates;

2. does not exercise, directly or indirectly, including through a trustee or nominee, any right conferred by the securities of the Casino Operator, Casino Manager or Affiliates;

3. does not receive any remuneration from the Casino Operator, Casino Manager or Affiliates;

4. does not receive any economic benefit from Casino Operator, Casino Manager or Affiliates;

5. subject to the disposition requirements of this Section, does not continue in an ownership or economic interest in the Casino Operator, Casino Manager or Affiliates or remain in a manager, officer, director, partner, employee, consultant or agent of the Casino Operator, Casino Manager or Affiliates.

B. Nothing contained in this Section shall prevent the Board from taking any action against the Casino Operator if the Casino Manager fails to be or remain suitable. Moreover, nothing contained in this Section shall prevent the Board from taking regulatory action against the Casino Manager, Casino Operator, or Affiliates as the case may be, if the Casino Operator, Casino Manager or Affiliates, as the case may be:

1. had actual or constructive knowledge of the facts that are the basis of the Board's regulatory action, and failed to take appropriate action; or

2. is so tainted by such Person failing to demonstrate suitability of the Casino Operator, the Casino Manager, or Affiliates under the standards of the Act or these Regulations; or

3. cannot meet the suitability standards contained in the Act and these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2149. License or Permit Disqualification Criteria

A. The Board shall not grant a finding of suitability or a Permit to any Person who is disqualified on the basis of any of the following criteria:

1. Failure of the Applicant to prove by clear and convincing evidence that he is suitable in accordance with the Provisions of either the Act or the Regulations.

2. Failure of the Applicant to provide information and documentation ;

a. to reveal any fact material to a suitability determination;

b. material and relevant to the Application, or

c. requested by the Board or Division;

3. Supplying information to the Board or Division that is untrue or misleading as to a material fact pertaining to the qualification criteria.

4. The conviction of or a plea of guilty or nolo contendere by the Applicant or of any Person required to be found suitable by the Act or Regulations for an offense punishable by imprisonment of one year or more.

5. The current prosecution of, or pending charges in any jurisdiction of the Applicant or any Person required to be found suitable under the Act or the Regulations for an offense punishable by imprisonment of one year or more.

6. If the Applicant is a corporation which is owned by a parent or other corporation or Person as defined in La.R.S. 27:205, then the applicant shall be disqualified if any Person owning more than five percent (5%) of the common stock of the parent corporation has been convicted of, or pled guilty or nolo contendere to, a felony offense.

7. If the Applicant is a corporation, partnership, association, joint venture, or other entity of which any individual holding five percent (5%) or more interest in the profits or loss has been convicted of, or pled guilty or nolo contendere to, an offense which at the time of conviction is punishable as a felony.

8. Has been found unsuitable or has been denied a license or permit, or has had a license or permit suspended or revoked in another gaming jurisdiction, unless circumstances indicate in the sole discretion of the Board that such finding is not contrary to the best interest of the State of Louisiana.

9. If the Applicant is a person holding public office in, or being employed by, any governmental agency within the State of Louisiana.

B. A Permit, finding of suitability or Approval may be denied if the Applicant or any Person who has any ownership, income or profit interest in an Applicant or who,

in the opinion of the Board, exercises a significant influence over the activities of the Applicant:

1. knowingly failed to comply with any Gaming Law or Regulation in Louisiana or any other Gaming Jurisdiction.

2. committed or attempted to commit any crime of moral turpitude, embezzlement or theft, or any violation of law that is contrary to the declared policy of the State of Louisiana regarding Gaming.

3. has been identified in published reports of any Federal or State Legislative or Executive body as being a member or associate of organized crime or being of notorious or unsavory reputation.

4. has been in place and remains in constructive custody of any, federal, state or municipal authority.

5. is not current in filing all applicable tax returns and in the payment of all taxes, interest and penalties owed to the State of Louisiana and the Internal Revenue Service, excluding contested amounts pursuant to applicable procedures, and items of which the Department of Revenue and Taxation or the Internal Revenue Service has accepted a payment schedule of back taxes.

C. These bases and grounds for denial are not exclusive.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2151. Continuing Suitability, Duty To Report

A. Suitability is an ongoing process. The Casino Operator, Casino Manager and all Permittees, registrants, and Persons required to submit to suitability by the Act or these Regulations have a continuing duty to inform the Board of any action which could reasonably be believed to constitute a violation of the Act or Regulations. This obligation to report is to be construed in the broadest possible manner; any question that exists regarding whether a particular action or circumstance constitutes a violation shall be decided in favor of reporting. The Board shall be notified no later than 10 days from the date the Licensee, Permittee, registrant or Person knew or should have known of the possible violation. No Person who so informs the Board shall be discriminated against by an Applicant, Licensee, Permittee or registrant because of supplying such information.

B. The Casino Operator, Casino Manager and all Permittees, registrants and Persons required to submit to suitability shall also have a continuing duty to inform the Board of material changes in their affiliations, businesses, financial standing, operations, ownership relationships or corporate management personnel, provided however, in the case of a publicly traded company, this obligation shall be satisfied if such company files copies of all form 10Ks, 10Qs, and 8Ks filed with the Securities and Exchange Commission, within ten (10) days of filing with the Securities and Exchange Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2153. Cash Transaction Reporting

A. The Casino Operator shall report any administrative or criminal proceedings alleging a violation pertaining to a

cash transaction report, as defined by the Internal Revenue Service, to the Division within ten (10) days of knowledge by the Casino of the violation.

B. Any administrative or criminal proceedings alleging a violation pertaining to cash transaction report requirements in any jurisdiction by the Casino Operator, Casino Manager or any of their respective Holding or Intermediary Companies or Affiliates of the Holding or Intermediary Companies, shall be reported to the Division within thirty (30) days of the notice of violation in the other jurisdiction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2155. License and Permit Terms and Filing of Application

A. As required by La. R.S. 27:241(A) and the Casino Operating Contract, the Casino Operator shall conduct Casino Gaming Operations at the Official Gaming Establishment for a primary term of twenty years with a ten year renewal option.

B. Employee Permits, as required by the Act, shall have a term of one year.

C. Vendor Permits shall have a term of two years.

D. Each Application, including renewal Applications, shall be deemed filed with the Division when the Application form has been received by the Division, as evidenced by a signed receipt.

E. All renewal Applications for Permits shall be submitted to the Division no later than 90 days prior to the expiration of the Permit and all fees as required by law shall be paid on or before the date of expiration of the permit.

F. If any employee of a Casino Operator, Licensee, or Permittee who is required to have a License or Permit fails to renew his License or Permit as provided herein, the employer, upon notice by the Division, shall terminate the employee or suspend the employee without pay until such time as the employer is notified by the Division that the employee has renewed his License or Permit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2159. Gaming Employee Permits Required

A. No Person may be employed as a Gaming Employee unless such Person is the holder of a valid Gaming Employee Permit issued by the Division.

B. The Casino shall secure an application and fingerprint cards from the Division for each prospective Gaming Employee.

C. Every Gaming Employee shall keep his Gaming Employee Permit on his Person and displayed in accordance with §2163 of these Regulations at all times when actively engaged in Gaming Operations, or on the Licensed premises.

D. A Gaming Employee Permit is not transferable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2161. Application for Gaming Employee Permit; Procedure

A. An Applicant for a Gaming Employee Permit shall submit to fingerprinting at the direction of the Division and

supply two passport size photographs. The photographs must be satisfactory to the Division and must have been taken not earlier than three months before the date of filing the Application. The Applicant shall also provide any other information requested by the Division.

B. An Applicant for a Gaming Employee Permit shall pay the Application fee established by the Act prior to the issuance of the Permit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2163. Display of Gaming Employee Permit

A. A Gaming Employee Permit as required by these Regulations shall be worn by all employees during work hours. The Gaming Employee Permit shall be clearly displayed and worn in a manner as prescribed by the Division.

B. With prior Approval of the Supervisor or his designee, individual employees may be authorized to remove their Gaming Employee Permit. An employee authorized to remove his Gaming Employee Permit is responsible for producing his permit without delay if requested by the Division.

C. A fee of \$15 shall be paid to the Division for any necessary replacement(s) or modifications of a Permit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2165. Permit Requirements for Persons Furnishing Services or Property or Doing Business With the Casino Operator or Casino Manager:

A. All Manufacturers of Slot Machines, Gaming Devices or other Gaming Equipment, the companies or Persons supplying or repairing Slot Machines, Gaming Devices or other Gaming Equipment, companies providing or repairing Casino security services, limousine services and junket operators must be permitted, in accordance with these Regulations, prior to conducting any business with the Casino Operator, Casino Manager or their employees or agents.

B. Subject to §2166 of these Regulations, all Casino service industries not included in Subsection A of this section shall be required to be Permitted if the Person or company proposes to conduct business with the Casino in an annual, aggregate amount of \$50,000 or more in a consecutive twelve (12) month period. Such Casino service industries, whether or not directly related to Gaming Operations include: suppliers of food and non-alcoholic beverages; Gaming Employee or dealer training schools; garbage handlers; vending machine providers; linen suppliers; and maintenance companies. This list is illustrative and not meant to be exclusive.

C. All Casino service industries covered by Subsection B of this Section that propose to conduct business with the Casino in an aggregate amount of less than \$50,000, in a consecutive twelve (12) month period may be required to be Permitted. The decision to require a Permit rests in the sole discretion of the Board.

D. The method of applying for a Permit is as set forth in this Chapter of the Rules and Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2166. Exemptions/Waivers From Non-Gaming Vendor Permit Requirements

A. Pursuant to La. R.S. 27:238(C)(1-2), the following Persons are exempt from the permitting requirements of Section 2165 and these Regulations.

1. Non-profit charitable organizations, donations, sponsorships, and educational institutions that receive funds from the Casino, including educational institutions that receive tuition reimbursement on behalf of employees of the Casino Operator or Casino Manager:

a. Non-profit charitable organization shall mean a non-profit board, association, corporation, or other organization domiciled in this state and qualified with the United States Internal Revenue Service for an exemption from federal income tax under Section 501(C), (3), (4), (5), (6), (7), (8), (10), or (19) of the Internal Revenue Code.

2. Entities which provide only one or more of the following services to the Casino and which are the sole source provider of such services:

- a. water;
- b. sewerage;
- c. electricity;
- d. natural gas; and
- e. local telephone services.

3. Regulated insurance companies providing insurance to the Casino Operator or Casino Manager and its employees (medical, life, dental, and property);

4. Employee benefit and retirement plans and related administrator including incorporated 401K plans and employee stock purchase programs;

5. National or local professional associates that receive funds from the Casino Operator or Casino Manager for the cost of enrollment, activities, and membership;

6. All state, federal, and municipal operated agencies;

7. All liquor, beer and wine industries regulated by the Louisiana Alcohol Beverage Control Commission/Board;

8. State and federally regulated banks and savings and loan associations (unless such institutions are operating under any type of cease and desist or similar type order) not withstanding those sources or transactions provided to a licensee which require Board Approval;

9. Providers of professional services including accountants, architects, attorneys, engineers and lobbyists;

10. Hotels and restaurants;

11. Electronic and print media, newspapers and book publishers;

12. Nationwide shipping services, including Federal Express, United Parcel Service, Airborne Express and Emory Freight;

B. Nothing herein shall be construed to bar any other business entities from seeking a waiver of non-gaming vendor permitting requirements upon a written showing of good cause.

C. The Board may, in its sole discretion, revoke any exemption granted under Subsection A above and require any Person to submit to the permitting requirements of §2165 and these Regulations.

D. This Section does not relieve the Casino Operator or Casino Manager of any reporting obligations required by §2907 or 2715.P of these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2167. Junket Representative Permit

A. Junket Representatives shall apply for and receive either a Conditional Junket Representative Permit in accordance with §2169 of these regulations or a Junket Representative Permit in accordance with this Section prior to receiving compensation from the Casino Operator for any junket activities with or on behalf of the Casino Operator. Nothing herein shall prevent a Junket Representative from bringing patrons to the Casino, prior to obtaining a Conditional Junket Representative Permit or a Junket Representative Permit, provided however, no compensation shall be paid to the Junket Representative for such activity unless and until a Conditional Junket Representative Permit or a Junket Representative Permit shall be issued.

B. A Junket Representative shall not transact business with or on behalf of the Casino Operator other than is customary in the industry.

C. An application for a Junket Representative Permit shall be made on the forms as prescribed by the Division and may include but not be limited to:

1. name, address and type of organization of the Junket Representative;

2. a copy of any proposed agreement between the Casino Operator and the Junket Representative which shall set forth the nature of compensation to be paid to the Casino Operator;

3. a personal history form for the Junket Representative;

4. the designation of Persons whom the Junket Representative may use as a Secondary Representative;

5. a statement on a form furnished or approved by the Division that the Junket Representative:

a. submits to the jurisdiction of the State of Louisiana and the Board;

b. designates the Secretary of State as its representative upon whom service of process may be made; and

c. agrees to be bound by the laws of the State of Louisiana and the Regulations of the Board;

6. if the Junket Representative is not an individual, the Division may designate the officers and principals of the Junket Representative that shall also provide personal history forms to the Division.

D. Any agreement between a Junket Representative and the Casino Operator shall:

1. be in writing;

2. set forth the nature of compensation to be paid to the Junket Representative and contain an acknowledgment that no compensation shall be paid by the Casino Operator unless and until a Junket Representative Permit or Conditional Junket Permit has been issued;

3. contain an acknowledgment that the Junket Representative shall be bound by the laws of the State of Louisiana and the Regulations of the Board; and

4. shall contain an acknowledgment by the Junket Representative that the agreement shall terminate without liability on the part of the Casino Operator, the Board or any affiliated entity for services performed or to be performed by the Junket Representative if the Board denies either a Conditional Junket Representative Permit or Junket Representative Permit, issues a finding of unsuitability regarding the Junket Representative or otherwise orders the suspension or termination of the agreement between the Junket Representative and the Casino Operator (regardless of whether the Junket Representative is pursuing any administrative or appellate remedies) to challenge any action or inaction of the Board and regardless of the outcome of any administrative or appellate remedies).

E. The Board shall not issue a Junket Representative Permit until the applicant has demonstrated to the Board by clear and convincing evidence that the applicant is a person of good character, honesty and integrity, is a person whose prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest or the effective regulation and control of gaming, is a person that does not create or enhance the dangers of unsuitable, unfair or illegal practices, methods or activities in the gaming industry, and that such person otherwise meets the suitability criteria in Chapter 21 of these Regulations.

F. The issuance of a Junket Representative Permit shall authorize the Casino Operator to pay compensation to the Junket Representative as per the agreement, subject to any conditions imposed by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2169. Conditional Junket Representative Permit

A. The Board may issue a Conditional Junket Representative Permit when, in the Board's sole judgment, the issuance of such Permit would further the purposes of the Act.

B. In order to obtain a Conditional Junket Representative Permit, it must be demonstrated to the satisfaction of the Board that:

1. the applicant has filed a properly completed Junket Representative Permit Application, with all necessary attachments;

2. the applicant has paid the Application fee for a Junket Representative Permit;

3. the Applicant has provided a copy of all agreements with the Casino Operator;

4. the Applicant has provided a statement that the Junket Representative:

a. submits to the jurisdiction of the State of Louisiana and the Board;

b. designates the Secretary of State as its representative upon whom service of process may be made;

c. agrees to be bound by the laws of the State of Louisiana and the Regulations of the Board;

5. the Applicant has provided a list of all Secondary Representatives;

6. if the Applicant is licensed, authorized or permitted to engage in junket activities in another jurisdiction, that such license(s), authorization(s) or permit(s) in each prior

licensing jurisdiction(s) have not been suspended or revoked.

C. A Conditional Junket Representative Permit shall not be issued until all of the requirements of Subsection (B)(1-5) and (6) if applicable listed above have been satisfied and the Division has been able to conduct an preliminary investigation on the Applicant.

D. The issuance of a Conditional Junket Representative Permit, unless stated therein otherwise, shall constitute authorization for the Casino Operator to pay compensation to the Junket Representative in an amount not to exceed \$50,000. Although compensation in excess of \$50,000 may not be paid to the Junket Representative who holds a Conditional Junket Representative Permit, the Junket Representative may continue to perform services to the Casino Operator pending the Division's completion of its investigation regarding suitability.

E. A Conditional Junket Representative Permit shall expire on the earlier of (i) one year from the date of issuance; (ii) a finding of unsuitability or denial of the Junket Representative Permit; (iii) such Permit being otherwise revoked or suspended by the Board or (iv) the issuance of a Junket Representative Permit.

F. In calculating the \$50,000 threshold, the Casino Operator shall account for all compensation paid to the Junket Representative, on an annual basis, and include any compensation paid to any person or entity that is affiliated with the Junket Representative or is otherwise known by the Casino Operator or Casino Manager to jointly-conduct business with the Junket Representative. If at any time the Board, in its sole discretion, determines that the business of two or more Junket Representatives is reported as an independent business for the purpose of circumventing or evading Permit requirements, the Board may, in addition to any other regulatory action deemed appropriate, aggregate the compensation payments made to such Junket Representatives for the purpose of calculating the \$50,000 threshold.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2171. Determination of Unsuitability of Junket Representatives

A. The Casino Operator, upon written notification of a finding of unsuitability or other Order of the Board or Division, shall immediately terminate all relationships, direct or indirect with the specified Junket Representative.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2173. Reporting Requirements of Junket Representatives

A. Annually, on or before July 15, each Junket Representative shall file a list of all Secondary Representatives on a form furnished or Approved by the Division. The Casino Operator shall send a notice annually, on or before June 1, to each Junket Representative under contract, advising the registered Junket Representative of the requirements of this Section.

B. The Junket Representative shall report additions, deletions, and changes to the following items to the Division within 30 days thereof;

1. The Junket Representative's address or telephone number;

2. The officers, directors, or shareholders or partners of the Junket Representative;

3. The list of Secondary Representatives.

C. The Casino Operator or Casino Manager shall submit a quarterly Junket Representative report to the Division which shall provide:

1. the name of the Junket Representative;

2. a schedule of all compensation paid to each Junket Representative and the date thereof, including the amount of compensation earned during the preceding twelve month period;

3. the names of any known Secondary Representatives utilized by the Junket Representative;

4. a statement as to whether future junkets are anticipated; and

5. any other information required by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2175. Denial, Revocation, Restrictions

A. The Board, consistent with La. R.S. 27:250(B), may deny, revoke, suspend, limit, condition or restrict any Permit, finding of suitability or Approval.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2177. Surrender of a Permit

A. A Permit may not be surrendered without the prior written Approval of the Board.

B. If a request to surrender a Permit without prejudice is Approved, the Applicant is immediately eligible to apply again for Permitting, unless the Board has placed a condition on the time in which the Applicant shall wait in order to reapply.

C. If a request to surrender a Permit is Approved with prejudice, the Applicant shall not be eligible to apply for a Permit for a period of five years after the date of the Approval.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 23. Compliance, Inspections and Investigations

§2301. Applicability and Resources

A. These Rules and Regulations are applicable to inspections and investigations relative to compliance with the Act and the Rules and Regulations promulgated pursuant to the Act. The Division is empowered to employ such personnel as may be necessary for such inspections and investigations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2303. Inspections and Observations

A. Upon presentation of Identification, the Board, the Division and their representatives shall have the complete, immediate and unrestricted right at all times and without notice or demand to the Casino Operator, the Casino Manager, Permittee or any other Person, to enter and:

1. inspect the entire Casino and its ancillary facilities, including all so-called restricted areas;

2. inspect the premises where Gaming Devices and Gaming Equipment are stored, manufactured, sold or distributed;

3. inspect any Gaming Device or Gaming Equipment; or

4. observe the conduct of any Gaming Activity.

B. These entries and inspections may or may not be known to the Casino Operator, Casino Manager or Permittee.

C. The Casino Operator, Casino Manager or any Permittee shall upon request immediately make available for inspection, by the Board, the Division and their representatives all papers, documents, books and records used in the Casino or Permitted operation.

D. As more fully detailed in Section 9.26 of the Casino Operating Contract, the Board, the Division and their representatives shall also be afforded contemporaneous, complete and unrestricted access to information stored on-line in the SDS and CMS systems or any other computer system relating to Casino Operations.

E. Immediate access to the areas and records that may be inspected or examined by the Division, Division Agents, the Board or their representatives shall be granted to any such individual who displays Division or Board credentials.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2305. Inspections During Construction

A. The Supervisor may designate one or more Agents of the Division to inspect the construction of the Landbased Gaming facility. The Casino Operator shall deliver to the Gaming Board accurate scale drawings of the floor plans of the Casino showing and designating the use for each room or enclosed area, the *secured* areas, and particularly areas where gross gaming receipts and other Casino revenues are handled.

B. Upon presentation of identification, any designated Agent of the Division may demand and shall be given immediate access to any place where construction of the Casino or any of its component parts is underway.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2306. Inspections of Persons Furnishing Services or Property or Doing Business With the Casino Operator or Casino Manager

A. The Board, the Division and their Representatives shall have the right to inspect any Person transacting business or providing services or property to the Casino Operator or Casino Manager. This right of inspection includes the physical property and buildings, all books and

records as well as all computer programs, files and disks. This right of inspection covers all Persons regardless of the amount of business conducted with the Casino Operator or Casino Manager.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2307. Investigations

A. All investigations of any alleged violations of the Act or of the Rules and Regulations by an Applicant, Licensee or Permittee must be conducted by the Board and/or Division and may or may not be made known to the Applicant, Licensee or Permittee before being completed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2309. Investigative Powers of the Board and Division

A. In conducting an investigation, the Board and/or Division is empowered to:

1. inspect and examine the entire Casino wherein Gaming Activities are conducted, proposed to be conducted or Gaming Devices are maintained or repaired, its ancillary facilities, and where all papers, books, records, documents and electronically stored media are maintained;

2. summarily seize and remove Gaming Devices and Gaming Equipment from such premises and impound any equipment for the purpose of examination and inspection;

3. have access to inspect, examine, and photocopy all papers, books, records, documents and information of an Applicant, Licensee, or Permittee pertaining to the Licensed or Permitted operation or activity, on all premises where such information is maintained;

4. review all papers, books, Records, and documents pertaining to the Licensed or Permitted operation;

5. conduct audits to assist the Board in determining compliance with all Gaming laws, Rules and Regulations on Gaming Activities and operations under the Board's jurisdiction.

6. issue subpoenas, as provided in this chapter, in connection with any investigation conducted by the Board or Division;

7. conduct depositions and/or obtain formal statements;

8. issue written interrogatories.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2311. Seizure and Removal of Gaming Equipment and Devices

A. Gaming Equipment or Devices may be summarily seized by the Division. Whenever the Division seizes and removes Gaming Equipment or Devices:

1. an inventory of the Gaming Equipment or Devices seized will be made by the Division, identifying all such equipment or devices as to make, model, serial number, type, and such other information as may be necessary for authentication and identification;

2. all such Gaming Equipment or Devices will be sealed or by other means made secure from tampering or alteration;

3. the time and place of the seizure will be recorded; and

4. the Casino Operator or Permittee will be notified in writing by the Division at the time of the seizure, of the fact of the seizure, and of the place where the seized equipment or device is to be impounded. A copy of the inventory of the seized equipment or device will be provided to the Casino Operator, Licensee or Permittee upon request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2315. Seized Equipment and Devices as Evidence

A. All Gaming Equipment and Gaming Devices seized by the Division shall be considered evidence, and as such shall be subject to the laws of Louisiana governing chain of custody, preservation and return, except that:

1. any article of property that constitutes a Cheating Device shall not be returned. All Cheating Devices shall become the property of the Division upon their seizure and may be disposed of by the Division, which disposition shall be documented as to date and manner of disposal;

2. the Division shall notify by certified mail each known claimant of a Cheating Device that the claimant has ten (10) days from the date of the notice within which to file a written claim with the Division to contest the characterization of the property as a Cheating Device;

3. failure of a claimant to timely file a claim as provided in subsection (2) above will result in the Division's pursuit of the destruction of property;

4. if the property is not characterized as a Cheating Device, such property shall be returned to the claimant within fifteen (15) days after final determination;

5. items seized for inspection or examination may be returned by the Division without a court order.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2325. Sanctions

A. The Board may impose any sanction authorized by the Act for any violation of the Act or of the Regulations adopted pursuant to the Act after notice of the proposed sanction and after opportunity to request a hearing before the Board.

B. The Board may impose any sanction authorized by the Act for any violation of any condition, restriction, or limitation imposed by the Board on a license or permit.

C. The Board may impose any sanction authorized by the Act for violation of the Casino Operators' or Casino Managers' Internal Controls as are Approved by the Division.

D. A sanction for purposes of this Section, subject to the rights in the Casino Operating Contract, includes, but is not limited to suspension, revocation, or cancellation of a license or permit, the imposition of a fine and such other costs as the Board deems appropriate, or the conditioning, limiting, or restricting of a license or permit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2327. Proof of Compliance

A. If the Casino Operator, Casino Manager or any Permittee is served with a notice, issued by the Division, regarding a violation of the Act or the Regulations, the Casino Operator, Casino Manager or Permittee may submit proof of compliance with the Act and Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 25. Transfers of Interest in the Casino Operator and Permittees; Loans and Restrictions

§2501. Transfer of Interest, General

A. No person shall sell, assign, lease, grant, hypothecate, transfer, convey, purchase or acquire any interest of any sort whatsoever, or foreclose on a security interest in the Casino Operator or Casino Manager or any portion thereof, or enter into or create a voting trust agreement or any agreement of any sort in connection with any licensed gaming operation or any portion thereof, except in accordance with the Act and these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2503. Disclosure of Representative Capacity

A. No Person shall transfer, assign, pledge or otherwise dispose of, or convey in any manner whatsoever, any ownership interest in the Casino Operator, Casino Manager to any Person acting as an agent, trustee or in any other representative capacity for or on behalf of another Person without having first fully disclosed all facts pertaining to such transfer and representation to the Board and Division. No Person acting in such representative capacity shall hold or acquire any such interest or so invest or participate without having first fully disclosed all facts pertaining to such representation to the Board and Division and having obtained Approval from the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2505. Transfer of Interest Prior to Approval

A. The sale, assignment, transfer, pledge, alienation, disposition, public offering, acquisition or other transfer of any equity interest in the Casino Operator or Casino Manager must receive prior Approval from the Board. Any sale, assignment, transfer, pledge, alienation, disposition, public offering, acquisition or other transfer of equity interest in the Casino Operator or Casino Manager that occurs without the prior Approval of the Board shall be void.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2506. Notice of Alleged Significant Regulatory Violation; Application of Sanction to Transferee

A. In the event the Division institutes an action against the Casino Operator, Casino Manager or any Permittee which involves an alleged significant violation of the Gaming Act or any regulations promulgated thereunder, the Division may, at the time of filing the action or any time

thereafter, file a Notice of Significant Violation in accordance with the terms of this Section. The filing of a Notice of Significant Violation shall serve as actual and constructive notice to any Person of the pending proceeding and bind them in accordance with Subsection C below.

B. The Division may apply to the hearing officer for the issuance of a Notice of Significant Violation. A Notice of Significant Violation shall issue upon the written application of the Division specifying facts establishing that there are reasonable grounds to believe that the Casino Operator, Casino Manager or Permittee has violated the Gaming Act or regulations promulgated thereunder and that such alleged violation could lead to a fine or the suspension or revocation of any License or Permit or the termination of any contract. If accepted by the hearing officer as complying with the terms of this Section, the Notice of Significant Violation shall be filed with the Board which shall maintain a separate Notice of Significant Violation index as a public record.

C. Any sale, assignment, transfer, pledge or disposition of an equity interest in the Casino Operator, Casino Manager or Permittee that takes place after the filing of the Notice of Significant Violation shall render the Person to whom the sale, assignment, transfer, pledge or disposition is made responsible and subject to any sanction subsequently imposed upon the Casino Operator, Casino Manager or Permittee based upon any conduct described in the Notice of Significant Violation.

D. If, after hearing, there is a determination that the grounds for the Notice of the Significant Violation do not exist, the Notice of Significant Violation shall be canceled and be of no further effect.

E. Nothing herein shall be construed to limit the Division or Board with respect to any other right or remedy provided by these Regulations or otherwise by law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2507. Notification of Ownership Interest in Holding Company or Intermediary Company or Affiliate

A. The Casino Operator, Casino Manager or Affiliate, as the case may be, shall provide notice to the Board and Division within five (5) days after obtaining knowledge of the accumulation of an Ownership Interest of five percent (5%) or more in their respective Holding Company or Intermediary Company, or Affiliate.

B. Nothing herein, shall prevent the Board, in its sole discretion, from requiring any Person acquiring an Ownership Interest in the Casino Operator or Casino Manager, through a Holding Company or Intermediary Company, or Affiliate, to submit to a suitability examination consistent with the Act and these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2509. Procedure for Proposed Transfer

A. Any Person filing an Application for Approval of a transfer of any Interest required by this Chapter must provide the following to the Board and Division:

- 1. all Application forms, including personal history forms, required by the Division;

2. all documents which evince the transfer of the Interest including any financing agreements;

3. all documents which evince any side agreements or related agreements regarding the transfer any Interest;

4. all other documents the Division may deem necessary for a full and complete evaluation of the transferees' suitability to hold an Interest in the Casino Operator or Casino Manager.

B. All costs associated with the Division's investigation of the Application for a transfer will be borne by the Person seeking to acquire the Interest.

C. All Persons required to obtain Approval under this Chapter must meet the same suitability requirements as set forth in these Regulations. The Board shall give the Applicant and the Division notice of the granting of its Application for a transfer. The granting of an Application for a transfer by the Board may be subject to any condition, limitation, or restriction in the same manner as the granting of the License or Permit. The Applicant shall indicate its acceptance of any condition, limitation, or restriction by documentation Approved by the Board.

D. An Applicant served with notice of recommendation of denial may make a written request for a hearing in the same manner as is provided in LAC 42:III.103. The hearing shall be conducted in the same manner as provided in LAC 42:III.103. The Applicant shall prove by clear and convincing evidence that he is qualified in accordance with the Act and the Regulations. Appeals of any action, order or decision of the Hearing Officer resulting from such a hearing shall be made to the Board as provided in the Act and these Regulations.

E. The notice required by this section shall be sent by certified mail.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2511. Transfer of Interest To Non-Licensee or Non-Permittee

A. No Person who owns an Ownership Interest of five percent (5%) or more in the Casino Operator, the Casino Manager, a Holding Company or Intermediary Company of the Casino Operator shall contract to transfer a five percent (5%) or greater interest or such other interest that otherwise leads to a change of control without prior Approval of the Board. This subsection shall not apply to transfers of publicly-traded securities purchased on the various stock markets.

B. Prior to the consummation of any accumulation of transfers, wherein five percent (5%) or greater interest or such other interest that otherwise leads to a change of control is proposed to be transferred in the Casino Operator, Casino Manager, a Holding Company or Intermediary Company of the Casino Operator, the transfer(s) and transferee must be Approved by the Board. This subsection shall not apply to transfers of publicly-traded securities purchased on the various stock markets.

C. None of the transfers described in this section shall be effective for any purpose until the proposed transferee has applied for and obtained all licenses, permits or findings of suitability required by the Act and Regulations and until the transferee has been Approved by the Board.

D. An investigation of any such Application shall be conducted by the Board. Prior to the commencement of the investigation, or while the investigation is ongoing, the Board or Division may request such additional information or documentation as it deems necessary for a complete investigation of the Applicant. The Board may assess a fee to cover the costs of the investigation.

E. The proposed transfer shall be granted or denied in the same manner as provided in §2509 of these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2512. Stock Restrictions

A. Unless otherwise expressly Approved by the Board, all ownership securities issued by the Casino Operator shall bear on both sides of the certificate a statement of the restrictions containing the following inscription:

The purported sale, assignment, transfer, pledge or other disposition of this security must receive the prior Approval of the Louisiana Gaming Control Board. The purported sale, assignment, transfer, pledge or other disposition, of any security or shares issued by the entity issuing this security is void unless Approved in advance by the Louisiana Gaming Control Board. If at any time an individual owner of any such security is determined to be unsuitable under the Act and Regulations to continue as a Permittee or suitable Person, the issuing entity shall ensure that such Person or Persons may not receive any dividend or Interest upon any such security; exercise, directly or indirectly through any trustee or nominee, any voting right conferred by such security; receive remuneration in any form from the Casino Operator, Casino Manager, or Affiliates for services rendered or otherwise; receive any Economic Benefit from the Casino Operator, Casino Manager or Affiliates; or continue in an ownership or Economic Interest in the Casino Operator or function as a manager, officer, director or partner of the Casino Operator.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2513. Emergency Situations

A. If the provisions of this Chapter applying to a Transfer of an Interest in the Casino Operator, Casino Manager, Permittee, or Person who is required to meet the suitability requirements of the Act and Regulations is contemplated, and in the opinion of the Board, the exigencies of the situation require that a proposed transferee be permitted to take part in the conduct of operations or to make available financing or credit for use in connection with such operation during the pendency of an Application for a License, Permit, or determination that the Applicant meets the suitability requirements of the Act and Regulations, then the Board may by Emergency Order implement the emergency procedures described in §2515 of these Regulations.

B. An emergency as used in this Chapter may be deemed to include, but is not limited to any of the following:

1. the Casino Operator, Casino Manager, Permittee or Person who was required to meet suitability requirements of the Act and Regulations has died or has been declared legally incompetent;

2. the Casino Operator, Casino Manager, Permittee or Person who was required to meet the suitability requirements of the Act and Regulations is a legal entity that has been dissolved by operation of law;

3. the Casino Operator, Casino Manager, Permittee or Person who was required to meet the suitability requirements of the Act and Regulations has filed a petition of bankruptcy, or in the opinion of the Board is or will likely become insolvent;

4. the License or Permit has been suspended or revoked;

5. a Person with an Interest in the Casino Operator, Casino Manager or a Permittee who was required to meet the suitability requirements of the Act and Regulations no longer meets the suitability requirements of the Act and Regulations;

6. the Casino Operator, Casino Manager, a Permittee, or Person who was required to meet the suitability requirements of the Act and Regulations or an Interest in the Casino Operator or a Permittee is subject to foreclosure or other forced sale permitted by law.

7. any other emergency circumstance that is Approved by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2515. Emergency Procedures

A. A proposed transferee who seeks to participate in an operation pursuant to an Emergency Order as provided in Section 2513 must submit a written request to the Board which shall contain the following:

1. a complete description of the extent to which and the manner in which the proposed transferee will participate in the operations pending the completion of the proposed transfer of an Interest;

2. a complete description of the plan for effecting the proposed transfer of the Interest;

3. a complete financial statement, including the sources for all funds to be used in the transfer and that will be used in the participation prior to the completion of the transfer;

4. full, true and correct copies of all documents pertaining to the proposed transfer, including but not limited to all agreements between the parties, leases, notes, mortgages or deeds of trust, and pertinent agreements or other documents with or involving third parties;

5. a complete description of any and all proposed changes in the manner or method of operations, including but not limited to the identification of all proposed changes of and additions to supervisory personnel;

6. all such additional documentation and information as may be requested by the Board; and

7. a certification that a copy of the request for emergency participation has been provided to the Board.

B. The proposed transferee must file a complete Application with the Board for Approval of the Transfer of the Interest and for any necessary License or Permit as provided in these Regulations within five days after an order for emergency participation has been issued. The Board may waive any or all of the requirements of this Paragraph upon written request of the proposed transferee with a showing of good cause.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2517. Emergency Permission To Participate; Investigation.

A. After the proposed transferee has complied with the requirements of §2515, the Division shall determine if all the necessary documents and information have been provided by the Applicant for Approval for the transfer. If the Division determines all of the necessary documents and information have been provided by the proposed transferee, then the Division shall notify the proposed transferee of that fact in a manner deemed appropriate by the Board.

B. After the notice described in §2517.A has been provided to the proposed transferee, the Division shall commence the Background Investigation of the proposed transferee. The Division may request such additional documents and information during the investigation as it deems necessary. Upon the conclusion of the Background Investigation, the Board may grant or deny the request for emergency participation. No hearing will be granted to review the denial of a request for emergency participation. Any conditions imposed by the Board on a proposed transferee must be accepted by the proposed transferee in a manner approved by the Board prior to the Board granting a request for emergency participation.

C. Emergency permission to participate shall be defined with respect to time, and must be limited as follows:

1. pending final action on the Application of a proposed transferee, the existing Casino Operator, Casino Manager, Permittee or Person who has met the suitability requirements of the Act and Regulations and the transferee Approved for emergency participation shall both be responsible for the payment of all taxes, fees and fines, and for acts or omissions of each.

2. no proposed transferee who has been granted emergency permission in writing to participate shall receive any portion of the Gross Gaming Revenue from the Gaming Operations or any profits from other operations of the Casino, or Permittee until final Approval of the proposed transfer of the Interest has been granted subject to the exception contained in §2517.C.3. If Approval is granted, such Approval shall be retroactive to the effective date of the emergency participation.

3. A proposed transferee who has been granted emergency permission to participate and who actually renders services to the Casino operation or the Permitted operation may be compensated for any services actually rendered, but such compensation is subject to prior written Approval by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2519. Effect of Emergency Permission to Participate; Withdrawal

A. The granting of emergency permission to participate is a revocable privilege. The granting of emergency permission to participate is not a finding by the Board that the Applicant for emergency participation meets the suitability requirements of the Act and Regulations. Such emergency permission to participate is without prejudice to any action that the Division or the Board may take with respect to any Application for final Approval of the proposed transfer of the Interest. All emergency permissions

to participate are subject to the condition that they may be revoked or suspended at any time without a right to a hearing to review the Board's decision. The provisions contained in this section are to be considered a part of any emergency participation granted by the Board, whether or not they are included in the order granting such emergency participation.

B. Upon notice that emergency permission to participate has been withdrawn, suspended, or revoked, the proposed transferee with such permission shall immediately terminate any participation whatsoever in the operations of the Casino Operator, Casino Manager, Permittee or Person required to meet the suitability requirements of the Act and Regulations. Anything of value, including money, contributed to the operations of the Casino Operator, Casino Manager, Permittee or Person required to meet the qualification requirements and suitability requirements of the Act and Regulations shall be immediately returned to the proposed transferee. Non-compliance with this Section shall be considered a violation of the Act and of the Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2521. Loans and Lines of Credit

A. No Casino Operator, Casino Manager, Permittee or Person on behalf of the Casino Operator, Casino Manager or Permittee shall borrow money, receive, accept, or make use of any cash, property, credit, line of credit, guarantee, or grant other form of security for any loan except in accordance with these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2522. Limitation on Financing; Incurring Debt

A. In accordance with Section 13.6 of the Casino Operating Contract, except as provided in §2523 and §2524 of these Regulations, the Casino Operator or its financing Affiliate may obtain debt only from a lender found suitable by the Board and only after obtaining Approval of the financing by the Board. Board Approval shall not be required for financing obtained from a lender previously found suitable by the Board or from a Lender who is a Suitable Lender as defined in the Casino Operating Contract if:

1. the principal amount of debt incurred in the financing does not exceed the sum of:
 - a. debt retired with proceeds of financing;
 - b. the projected cost of capital improvements to be funded with proceeds of the financing; and
 - c. customary transaction costs relating to the financing; or
2. the Pre-Tax cash flow of the Casino Operator for the twelve month period ending on the last day of the calendar quarter preceding the calendar month in which the financing occurs is not less than one and twenty-five hundredths (1.25) times the amount of annual interest payable with respect to secured debt incurred in the financing.

B. The Casino Operator, any Holding Company or Intermediary Company thereof or the Casino Manager shall apply for prior Approval of any proposed Public Offering of

any ownership Interest therein, and shall comply with all conditions imposed by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2523. Board Actions Concerning Loans And Lines of Credit

A. Except as provided in §2522 of these Regulations, whenever the Casino Operator, Casino Manager, or Person acting on behalf of a Casino Operator, Casino Manager, (*borrower* herein), applies for receives, accepts or modifies the terms of any loan, line of credit, third-party financing agreement, sale with buy-back or lease-back provisions or similar financing transaction, or makes use of any cash, property, credit, loan or line of credit, or guarantees, or grants other form of security for a loan, such borrower shall notify the Board in writing no less than sixty (60) days prior to such transaction, unless a different time period is Approved by the Board. Such notice shall include the following:

1. the names and addresses of all the parties to the transaction;
2. the amounts and sources of funds;
3. the property or credit applied for or received;
4. the nature and the amount of security provided by; or on behalf of the borrower or person required to meet the applicable suitability requirements of the Act and these Regulations;
5. the specific nature and purpose of the transaction;
6. such other information and documentation as the Board or Division may require.

B. The report described in Subsection A of this Section shall be signed under oath by the borrower, an authorized representative of the borrower, or Person required to meet the applicable suitability requirements of the Act and Regulations.

C. All transactions described in Subsection A of this Section require prior written Approval by the Board unless:

1. the amount of transaction does not exceed \$2,500,000 and all of the lending institutions involved therein are federally regulated financial institutions, or Suitable Lenders;
2. the loan amount of the transaction does not exceed \$1,000,000 and all of the lending entities are Suitable Lenders;
3. the transaction is exempted from the prior written Approval requirement pursuant to the provisions of Section 2524 of this Chapter;
4. the loan amount does not exceed \$500,000 and the transaction is one other than those described in Subsection C.1,2, or 3 of this Section;
5. the transaction modifies the terms of an existing loan or line of credit which has been previously Approved pursuant to this Section, and after preliminary investigation pursuant to Subsection D of this Section, the Board determines that the modification does not substantially alter such terms.

D. The Board, after preliminary review, shall determine whether the transaction is exempt from the requirement of prior written Approval, and shall notify the borrower of the determination.

E. In the event the transaction is not determined exempt pursuant to Subsection C, the Board shall render a decision Approving or Disapproving the transaction.

F. If the transaction is Disapproved, the decision of the Board shall be in writing and shall set forth detailed reasons for such Disapproval.

G. The Board may require that the transaction be subject to conditions which must be accepted by all parties prior to Approval. The acceptance of such conditions shall be in manner Approved by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2524. Publicly Registered Debt and Securities

A. If the transaction described in Section 2523(A) of this Chapter involves publicly registered debt and securities registered with the Securities and Exchange Commission (SEC), and sold pursuant to a firm underwriting understanding agreement, no Board Approval is required; however, in addition to filing the notice required in Section 2523(A) and (B), the borrower shall:

1. file with the Board, within one business day after filing with the SEC, copies of all registration statements and final prospectus with respect to such debt Securities and will give notice to the Division within one business day of the effectiveness of such registration statement; and

2. file a report with the Board within 45 days after the completion of sales under such registration, setting forth the amount of Securities sold and the identities of the purchasers thereof from the underwriters.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2527. Escrow Accounts

A. No money or other thing of value shall be paid to, remitted to, or distributed to, directly or indirectly to a proposed transferee, including a transferee with emergency permission to participate, until the Board has Approved the transfer and the transferee.

B. All money or other things of value to be paid to, remitted to, or distributed to, directly or indirectly to a proposed transferee, including a transferee with emergency permission to participate, shall be placed in escrow in a manner acceptable to the Board until the Board has Approved the transfer and the transferee.

C. Upon Approval of the transfer and the transferee, the money or other things of value held in escrow may be distributed to the transferee.

D. If the transfer or the transferee is Disapproved by the Board, any money or other thing of value placed in escrow shall be returned to the Person depositing the money or other thing of value in escrow.

E. A transferee with emergency permission to participate may be paid such compensation for services rendered as has been Approved by the Board in writing without such compensation being placed in escrow.

F. Any violation of this section shall be grounds to Disapprove the transfer or the transferee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2529. Casino Operator Transfers~~l~~ Casino Operating Contract

A. The Casino Operator shall not Transfer the Casino Operating Contract, or any interest therein or subcontract the performance of any of the Casino Operator's duties or obligations thereunder to any Person without first obtaining the Approval of the Gaming Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2531. Casino Operator Transfers

A. Except a Transfer to a Leasehold Mortgagee in compliance with the Casino Lease or in connection with the Initial Plan Financing or other Approved financing or a transfer pursuant to Section 23.6(g) of the Casino Operating Contract, the Casino Operator shall not voluntarily or involuntarily Transfer the Casino Lease, or any interest therein to any Person without first obtaining the Approval of the Gaming Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 27. Accounting Regulations

§2701. Procedure for Reporting and Paying Gaming Revenues and Fees

A. All Daily Gaming Revenue Reports, together with all necessary subsidiary schedules, required under the Act shall be submitted to the Division no later than forty-eight hours from the end of the Casino Operator or Casino Managers' specified gaming day. For reporting purposes, Casino Operator or Casino Manager's specified gaming day (beginning time to ending time) shall be submitted in writing to the Division prior to implementation. The gaming day is the 24-hour period by which the Casino keeps its books and records for business, accounting, and tax purposes. The Casino Operator or Casino Manager shall have only one gaming day, common to all its departments. Any change to the gaming day shall be submitted and approved by the Division ten (10) days prior to implementation of the change. Consistent with Section 6.5 of the Casino Operating Contract, all Louisiana Gross Gaming Revenue Share Payments must be electronically transferred to the State's designated bank account by 5:00 p.m. of the next business day following the close of that Casino Gaming Day. Interest shall be imposed on the late payment of fees at the Default Interest Rate as defined by the Casino Operating Contract. In addition to any other administrative action, civil penalties, or criminal penalties allowed by law, Casino Operators or Casino Managers who are late in electronically transferring these payments may retroactively be assessed late penalties after notice and opportunity for a hearing held in accordance with the Administrative Procedure Act.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended

by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2703. Accounting Records

A. The following requirements shall apply throughout all of Chapter 27.

1. The Casino Operator or Casino Manager, in such manner as the Division may approve or require, shall keep accurate, complete, legible, and permanent records of all transactions pertaining to revenue that is taxable or subject to fees under the Act. Casino Operator or Casino Manager shall keep records of all transactions impacting the financial statements of the Casino Operator or Casino Manager, including, but not limited to, contracts or agreements with suppliers/vendors, contractors, consultants, attorneys, accounting firms; accounts/trade payable files; insurance policies; bank statements, reconciliations and canceled checks or legible copies thereof. The Casino Operator or Casino Manager that keeps permanent records in a computerized or microfiche fashion shall upon request immediately provide agents of the Division with a detailed index to the microfiche or computer record that is indexed by casino department and date, as well as access to a microfiche reader. Only documents which do not contain original signatures may be kept in a microfiche or computerized fashion.

B. Casino Operator or Casino Manager shall keep general accounting records on a double entry system of accounting, with transactions recorded on a basis consistent with generally accepted accounting principles, maintaining detailed, supporting, subsidiary records, including but not limited to:

1. detailed records identifying:
 - a. revenues by day;
 - b. expenses;
 - c. assets;
 - d. liabilities;
 - e. equity for the establishment;
 - f. number of gaming patrons, or reasonable estimates thereof, as approved by the Division.
2. detailed records of all markers, IOU's, returned checks, hold checks, or other similar credit instruments;
3. individual and statistical game records to reflect drop, win, and the percentage of win to drop by table for each table game, and to reflect drop, win, and the percentage of win to drop for each type of table game, for each day or other accounting periods approved by the Division and individual and game records reflecting similar information for all other games, including slots;
4. slot analysis reports which, by each machine, compare actual hold percentages to theoretical hold percentages;
5. for the Casino Operator or Casino Manager, the records required by the Casino Operator or Casino Manager's system of internal control;
6. journal entries and all workpapers (electronic or manual) prepared by the Casino Operator or Casino Manager and its independent accountant;
7. records supporting the accumulation of the costs for complimentary services and items. A complimentary service or item provided to patrons in the normal course of an owner's business shall be expended at an amount based upon

the full cost of such services or items to the Casino Operator or Casino Manager;

8. detailed gaming chip and token perpetual inventory records which identify the purchase, receipt, and destruction of gaming chips and tokens from all sources as well as any other necessary adjustments to the inventories. The recorded accountability shall be verified periodically via physical counts. The Division shall have an agent, or its designee, present during destruction of any gaming chips or tokens;

9. workpapers supporting the daily reconciliation of cash and cash equivalent accountability;

10. financial statements and supporting documents; and

11. any other records that the Division specifically requires be maintained.

C. The Casino Operator or Casino Manager shall create and maintain records sufficient to accurately reflect gross income and expenses relating to its gaming operations.

D. If the Casino Operator or Casino Manager fails to keep the records used by it to calculate gross and net gaming revenue, or if the records kept by the Casino Operator or Casino Manager to compute gross and net gaming revenue are not adequate to determine these amounts, the Division may compute and determine the amount of taxable revenue based on an audit conducted by the Division, any information within the Division's possession, or upon statistical analysis.

E. The Division may review or take possession of records at any time upon request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2705. Records of Ownership

A. The Casino Operator or Casino Manager shall keep on the premises of its gaming establishment, or other premises as approved by the Division, the following documents pertaining 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 Louisiana Secretary of State authorizing the corporation to transact business in Louisiana;
4. a list of all current and former officers and directors;
5. a certified copy of minutes of all meetings of the stockholders;
6. a certified copy of minutes of all meetings of the directors;
7. a list of all stockholders listing each stockholder's name, birth date, social security number, 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;
10. a record of amounts paid to the corporation for issuance of stock and other capital contributions; and

11. a schedule of all salaries, wages, and other remuneration (including perquisites), direct or indirect, paid during the calendar or fiscal year, by the corporation, to all officers, directors, and stockholders with an ownership interest at any time during the calendar or fiscal year, equal to five percent (5%) or more of the outstanding capital stock of any class of stock.

B. Each limited liability company Casino Operator or Casino Manager shall keep on the premises of its gaming establishment the following documents pertaining to the company:

1. a certified copy of the articles of organization and any amendments;
2. a copy of the "Initial Report" setting forth location and address of registered office and agent(s);
3. a copy of required records to be maintained at the registered office of the LLC, including current list of names and addresses of members and managers;
4. a copy of the operating agreement and amendments; and
5. a copy of the certificate of organization issued by the Louisiana Secretary of State evidencing that the limited liability company has been organized.

C. Each partnership Casino Operator or Casino Manager shall keep on the premises of its gaming establishment the following documents pertaining to the partnership:

1. a copy of the partnership agreement and, if applicable, the certificate of limited partnership;
2. a list of the partners including their names, birth date, social security number, addresses, the percentage of interest held by each, the amount and date of each capital contribution of each partner, and the date the interest was acquired;
3. a record of all withdrawals of partnership funds or assets; and
4. a schedule of salaries, wages and other remuneration (including perquisites), direct or indirect, paid to each partner during the calendar or fiscal year.

D. Each sole proprietorship Casino Operator or Casino Manager shall keep on the premises of its gaming establishment:

1. a schedule showing the name, birth date, social security number and address of the proprietor and the amount and date of the proprietor's original investment and of any additions and withdrawals;
2. a schedule of salaries, wages and other remuneration (including perquisites), direct or indirect, paid to the proprietor during the calendar or fiscal year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2707. Record Retention

A. Upon request, the Casino Operator or Casino Manager shall provide the Division, at a location approved by the Division, with the records required to be maintained by Chapter 27. The Casino Operator or Casino Manager shall retain all such records for a minimum of five (5) years in a parish approved by the Division. In the event of a change of ownership, records of prior owners shall be

retained in a parish approved by the Division for a period of five (5) years unless otherwise approved by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2709. Standard Financial Statements

A. The Division shall prescribe a uniform chart of accounts including account classifications in order to insure consistency, comparability, and appropriate disclosure of financial information. The prescribed chart of accounts shall be the minimum level of detail to be maintained for each accounting classification by the Casino Operator or Casino Manager. The Casino Operator or Casino Manager shall prepare their financial statements in accordance with this chart or in a similar form that reflects the same information.

B. The Casino Operator or Casino Manager shall furnish to the Division on a form, as prescribed by the Division, a quarterly financial report. The quarterly financial report shall present all data on a monthly basis as well. Monthly financial reports shall include reconciliation of general ledger amounts with amounts reported to the Division. The quarterly financial report shall be submitted to the Division no later than 60 days following the end of each quarter.

C. The Casino Operator or its holding company or intermediary company shall submit to the Division one copy of any report, including but not limited to Forms S-1, 8-K, 10-Q, and 10-K, required to be filed by the Casino Operator or its holding company or intermediary company with the Securities and Exchange Commission or other domestic or foreign securities regulatory agency, within ten (10) days of the time of filing with such commission or agency or the due date prescribed by such commission or regulatory agency, whichever comes first.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2711. Audited Financial Statements

A. The Casino Operator or Casino Manager shall submit to the Division, postmarked by the United States Postal Service or deposited for delivery with a private or commercial interstate carrier, audited financial statements reflecting all financial activities of the Casino Operator or Casino Manager's establishment prepared in accordance with generally accepted accounting principles and subjected to an examination conducted according to generally accepted auditing standards by an independent Certified Public Accountant (CPA). The CPA shall incorporate the guidelines established by the Division into current procedures for preparing audited financial statements. The submitted audited financial statements required under this part shall be based on the Casino Operator or Casino Manager's business year as approved by the Division. If the Casino Operator or Casino Manager or a person controlling, controlled by, or under common control with the Casino Operator or Casino Manager owns or operates food, beverage or retail facilities

or facilities or buildings, the financial statement must further reflect these operational records.

B. The reports required to be filed pursuant to this Section shall be sworn to and signed by:

1. if from a corporation:
 - a. Chief Executive Officer; and either the
 - b. Financial Vice President; or
 - c. Treasurer; or
 - d. Controller;
2. if from a partnership, by a general partner and financial director;
3. if from a sole proprietorship, by the proprietor; or
4. if from any other form of business association, by the Chief Executive Officer, or other person as approved by the Division.

C. All of the audits and reports required by this Section shall be prepared at the sole expense of the Casino Operator or Casino Manager.

D. Casino Operator or Casino Manager shall engage an independent Certified Public Accountant (CPA) either one of the six largest accounting firms having a national practice in the United States of America or another accounting firm that is selected by the Casino Operator and approved by the Board. The independent CPA shall be licensed by the Louisiana State Board of Certified Public Accountants. The CPA shall examine the statements in accordance with generally accepted auditing standards. The Casino Operator or Casino Manager may select the independent CPA with the Division's Approval. Should the independent CPA, previously engaged as the principal accountant to audit the Casino Operator or Casino Manager's financial statements, resign or be dismissed as the principal accountant or if another CPA is engaged as principal accountant, the Casino Operator or Casino Manager shall file a report with the Division within ten (10) days following the end of the month in which the event occurs, setting forth the following:

1. the date of the resignation, dismissal, or engagement;
2. any disagreements with a former accountant, in connection with the audits of the two most recent years, on any matter of accounting principles, or practices, financial statement disclosure, auditing scope or procedure, which disagreements, if not resolved to the satisfaction of the former accountant, would have caused him to make reference in connection with his report to the subject matter of the disagreement; including a description of each such disagreement; whether resolved or unresolved;
3. whether the principal accountant's report on the financial statements for any of the past two (2) years contained an adverse opinion or a disclaimer of opinion or was qualified. The nature of such adverse opinion or a disclaimer of opinion, or qualification shall be described; and
4. a letter from the former accountant furnished to the Casino Operator or Casino Manager and addressed to the Division stating whether he agrees with the statements made by the Casino Operator or Casino Manager in response to this Section of the Casino Operator or Casino Manager's submission of accounting and internal control.

E. Unless the Division approves otherwise in writing, the statements required 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 consolidated schedules presenting separate financial statements for each establishment licensed to conduct gaming by the Division. The CPA shall 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.

F. The Casino Operator or Casino Manager shall submit to the Division two (2) originally signed copies of its audited financial statements and the applicable CPA's letter of engagement not later than one-hundred twenty (120) days, unless a shorter time period is mandated by the Casino Operating Contract, after the last day of the Casino Operator or Casino Manager's business year. In the event of a license termination, change in business entity, or a change in the percentage of ownership of more than twenty percent (20%), the Casino Operator or Casino Manager or former Casino Operator or Casino Manager shall, not later than one hundred twenty (120) days after the event, submit to the Division two (2) originally signed copies of audited statements covering the period between the filing of the last financial statement and the date of the event. If a license termination, change in business entity, or a change in the percentage of ownership of more than twenty percent (20%) occurs within one-hundred twenty (120) days after the end of the business year for which a statement has not been submitted, the Casino Operator or Casino Manager may submit statements covering both the business year and the final period of business.

G. If a Casino Operator or Casino Manager changes its fiscal year, the Casino Operator or Casino Manager shall prepare and submit to the Division audited financial statements covering the period from the end of the previous business year to the beginning of the new business year not later than one-hundred twenty (120) days after the end of the period or incorporate the financial results of the period into the statements for the new business year.

H. Reports that directly relate to the independent CPA's examination of the Casino Operator or Casino Manager's financial statements must be submitted within one-hundred twenty (120) days after the end of the Casino Operator or Casino Manager's business year. The CPA shall incorporate the guidelines established by the Division into current procedures for preparing the reports.

I. The Casino Operator or Casino Manager shall engage an independent CPA to conduct a quarterly audit of the Gross Gaming Revenue. Two (2) signed copies of the auditor's report shall be forwarded to the Division not later than sixty (60) days after the last day of the applicable quarter. For purposes of this part, quarters are defined as follows: January through March, April through June, July through September and October through December. The CPA shall incorporate the guidelines established by the Division into current procedures for preparing the quarterly audit.

J. The Division may request additional information and documents from either the Casino Operator or Casino Manager or the Casino Operator or Casino Manager's independent CPA, through the Casino Operator or Casino

Manager, regarding the financial statements or the services performed by the accountant.

K. The Casino Operator or Casino Manager shall submit to the Division, postmarked by the United States Postal Service or deposited for delivery with a private or commercial interstate carrier, any audit report prepared by the Internal Revenue Service.

L. The reports required to be filed pursuant to this Section shall be sworn to and signed by:

1. if from a corporation:
 - a. Chief Executive Officer; and either the
 - b. Financial Vice President; or
 - c. Treasurer; or
 - d. Controller;
2. if from a partnership:
 - a. general partner; and
 - b. financial director;
3. if from a sole proprietorship:
 - a. proprietor;
4. if from any other form of business association:
 - a. Chief Executive Officer; or
 - b. other person as approved by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2713. Cash Reserve Requirements; General

A. The Casino Operator or Casino Manager shall maintain in cash or cash equivalent amounts sufficient to protect patrons against defaults in gaming debts owed by the Casino Operator or Casino Manager.

B. Casino Operator or Casino Manager shall submit its own procedure for calculating its cash reserve requirement which shall be approved by the Division in writing prior to implementation. Such procedure shall be implemented after the Casino Operator or Casino Manager receives the Division's written Approval.

C. The Casino Operator or Casino Manager shall submit monthly calculations of its cash reserve to the Division no later than thirty (30) days following the end of each month.

D. Cash equivalents are defined as all highly liquid investments with an original maturity of 12 months or less and available unused lines of credit issued by a federally regulated financial institution as permitted in Chapter 25 and approved pursuant to that Chapter. Approved lines of credit shall not exceed fifty percent (50%) of the total cash reserve requirement. Any changes to the initial computation submitted to the Division shall require the Casino Operator or Casino Manager to resubmit the computation with all changes delineated therein including a defined time period for adjustment of the cash reserve account balance (e.g. monthly, quarterly, etc.).

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2715. Internal Control; General

A. Casino Operator or Casino Manager shall establish and implement beginning the first day of operations, administrative and accounting procedures for the purpose of determining the Casino Operator or Casino Manager's liability for revenues and fees under the Act and for the purpose of exercising effective control over the Casino Operator or Casino Manager's internal fiscal affairs. Each Casino Operator or Casino Manager shall adhere to the procedures established and implemented under the requirements of this Section of the Administrative Rules and Regulations. The procedures shall be implemented to reasonably ensure that:

1. all assets are safeguarded;
2. financial records are accurate and reliable;
3. transactions are performed only in accordance with the Casino Operator or Casino Manager's internal controls as approved by the Division;
4. transactions are recorded adequately to permit proper reporting of gaming revenue, fees and taxes, and all revenues deriving from the Casino and related facilities and to maintain accountability for assets;
5. access to assets is permitted only in accordance with the Casino Operator or Casino Manager's internal controls as approved by the Division;
6. recorded accountability for assets is compared with actual assets at least annually and appropriate action is taken with respect to any discrepancies;
7. functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel;
8. sensitive keys are maintained in a secure area that is subject to surveillance as follows:
 - a. all restricted sensitive keys shall be stored in an immovable dual lock box;
 - b. one key shall open only one lock on the dual lock box;
 - c. a dual key system shall be implemented wherein both keys are required to open the dual lock box and shall not be issued to different employees in the same department;
 - d. an employee shall be issued only a single key to the dual lock box; and
 - e. there shall be a surveillance camera monitoring the dual lock box at all times;
9. restricted sensitive keys are properly secured. Restricted sensitive keys shall be defined as those keys which can only be reproduced by the manufacturer of the lock or its authorized agent. These keys shall be stored in the dual lock box, with the exception of the cages, change banks/booths and the dual lock box keys. All restricted sensitive keys shall be inventoried and accounted for on a quarterly basis. These keys include but are not limited to:
 - a. slot drop cabinet keys;
 - b. bill validator release keys;
 - c. bill validator contents keys;
 - d. table drop release keys;
 - e. table drop contents keys;
 - f. count room keys;
 - g. high level Caribbean Stud key;
 - h. vault entrance key;

- i. CCOM (processor) keys;
- j. card and dice room storage keys;
- k. slot office storage box keys;
- l. dual lock box keys;
- m. change bank/booth keys;
- n. secondary chip access keys;
- o. weight calibration key;

10. the keys included in Subsection 9 above, shall be stored in the dual lock box, with the exception of the cages, change banks/booths and the dual lock box keys. All restricted sensitive keys shall be inventoried and accounted for on a quarterly basis;

11. all other sensitive keys not listed in §2715.A.9 are listed in the Casino Operator or Casino Managers' internal controls and are controlled as prescribed therein;

12. all damaged sensitive keys are disposed of timely and adequately. The Casino Operator or Casino Manager shall notify the Division. Notification shall include type of key(s), number of key(s), and the place and manner of disposal;

13. all access to the count rooms and the vault is documented on a log maintained by the count team and vault personnel respectively. Such logs shall be kept in the count rooms and vault room respectively, such logs shall be available at all times, and such logs shall contain entries with the following information:

- a. name of each person entering the room;
- b. reason each person entered the room;
- c. date and time each person enters and exits the room;
- d. date, time and type of any equipment malfunction in the room;
- e. a description of any unusual events occurring in the room; and
- f. such other information required in the Casino Operator or Casino Manager's internal controls as approved by the Division;

14. only transparent trash bags are utilized in the restricted areas set forth in §2945 of these Regulations.

B. The Casino Operator or Casino Manager and each applicant for a license shall describe, in such manner as the Division may approve or require, its administrative and accounting procedures in detail in a written system of internal control. The Casino Operator or Casino Manager and applicant for a license shall submit a copy of its written system of internal controls to the Division for Approval prior to commencement of the Casino Operator or Casino Manager's operations. Each written system of internal control shall include:

- 1. an organizational chart depicting appropriate segregation of functions and responsibilities;
- 2. a description of the duties, responsibilities, and access to sensitive areas of each position shown on the organizational chart;
- 3. a detailed, narrative description of the administrative and accounting procedures designed to satisfy the requirements of §2715.A. of these Regulations;
- 4. a flow chart illustrating the information required in Paragraphs 1, 2 and 3 above;
- 5. a written statement signed by an officer of the Casino Operator or Casino Manager or a licensed owner

attesting that the system satisfies the requirements of this Section;

- 6. other information as the Division may require.

C. The Casino Operator or Casino Manager may not implement its initial system of internal control procedures unless the Division, in its sole discretion, determines that the Casino Operator or Casino Manager's proposed system satisfies §2715.A. of these Regulations, and approves the system in writing. In addition, the Casino Operator or Casino Manager must engage an independent CPA to review the proposed system of internal control prior to implementation. The CPA shall forward two (2) signed copies of the report reflecting the results of the evaluation of the proposed internal control system prior to implementation.

D. A separate internal audit department (whose primary function is performing internal audit work and who is independent with respect to the departments subject to audit) shall be maintained by either the Casino Operator or Casino Manager, the parent company of the Casino Operator or Casino Manager, or be contracted to an independent CPA firm. The internal audit department or independent CPA firm shall develop quarterly reports providing details of all exceptions found and subsequent action taken by management. All material exceptions resulting from internal audit work shall be investigated and resolved. The results of the investigation shall be documented and retained within the State of Louisiana for five (5) years.

E. The Casino Operator or Casino Manager shall require the independent CPA engaged by the Casino Operator or Casino Manager for purposes of examining the financial statements to submit to the Casino Operator or Casino Manager two (2) originally signed copies of a written report of the continuing effectiveness and adequacy of the Casino Operator or Casino Manager's written system of internal control one hundred fifty (150) days after the end of the Casino Operator or Casino Manager's fiscal year. Using the guidelines and standard internal control questionnaires and procedures established by the Division, the independent CPA shall report each event and procedure discovered by or brought to the CPA's attention which the CPA believes does not satisfy the internal control system approved by the Division. Not later than one hundred fifty (150) days after the end of the Casino Operator or Casino Manager's fiscal year, the Casino Operator or Casino Manager shall submit an originally signed copy of the CPA's report and any other correspondence directly relating to the Casino Operator or Casino Manager's system of internal control to the Division accompanied by the Casino Operator or Casino Manager's statement addressing each item of noncompliance as noted by the CPA and describing the corrective measures taken.

F. Before adding or eliminating any game; adding any computerized system that affects the proper reporting of gross revenue; adding any computerized system of betting at a race book; or adding any computerized system for monitoring slot machines or other games, or any other computerized equipment, the Casino Operator or Casino Manager shall:

- 1. amend its accounting and administrative procedures and its written system of internal control;
- 2. submit to the Division a copy of the amendment of the internal controls, signed by the Casino Operator or

Casino Manager's Chief Financial Officer or General Manager, and a written description of the amendments;

3. comply with any written requirements imposed by the Division regarding administrative approval of computerized equipment; and

4. after compliance with Paragraphs 1-3 and Approval has been obtained from the Division, implement the procedures and internal controls as amended.

G. Any change or amendment in procedure including any change or amendment in the Casino Operator or Casino Manager's internal controls previously approved by the Division shall be submitted to the Division for prior written Approval as provided in Chapter 29 of these rules.

H. If the Division determines that a Casino Operator or Casino Manager's administrative or accounting procedures or its internal controls do not comply with the requirements of this Section, the Division shall so notify the Casino Operator or Casino Manager in writing. Within thirty (30) days after receiving the notification, the Casino Operator or Casino Manager shall submit a copy of the internal controls as amended and a description of any other remedial measures taken.

I. The Division can observe *unannounced* the transportation and count of each of the following: electronic gaming device drop, all table game drops, tip box and slot drops, slot fills, fills and credits for table games, as well as any other internal control procedure(s) implemented. For purposes of these procedures, *unannounced* means that no officers, directors or employees of the Casinos are given advance information, regarding the dates or times of such observations.

J. Except as otherwise provided in this Section, no Casino Operator or Casino Manager shall make any loan, or otherwise provide or allow to any person any credit or advance of anything of value or which represents value to enable any person to take part in gaming activity. The failure to deposit for collection a negotiable instrument by the second banking day following receipt shall be considered an extension of credit.

K. The Casino Operator or Casino Manager extend credit to a patron only in the manner(s) provided in its internal control system approved by the Division .

L. The internal control system shall provide that:

1. each credit transaction is promptly and accurately recorded in appropriate credit records;

2. coupon redemption and other complimentary distribution program transactions are promptly and accurately recorded; and

3. credit may be extended only in a commercially reasonable manner considering the assets, liabilities, prior payment history and income of the patron.

M. No credit shall be extended beyond thirty (30) days. In the event that a patron has not paid a debt created under this Section with thirty (30) days, the Casino Operator or Casino Manager shall not further extend credit to the patron while such debt is outstanding.

N. The Casino Operator or Casino Manager shall be responsible for pursuing all collection activities on the debt of a patron whether such activities occur in the name of the owner or a third party.

O. The Casino Operator or Casino Manager shall provide to the Division a quarterly report detailing all credit

outstanding from whatever source, including nonsufficient funds checks, collection activities taken and settlements, of all disputed markers, checks and disputed credit card charges pertaining to gaming. The report required under this Part shall be submitted to the Division within fifteen (15) days of the end of each quarter.

P. The Casino Operator or Casino Manager shall submit to the Division, on a quarterly basis, a listing of all vendors who have received \$5,000 or more from the Casino Operator or Casino Manager during the previous quarter, or \$50,000 or more during the immediate past twelve (12) month period as payment for providing goods and/or services to the Casino Operator or Casino Manager. This list shall include vendor name, address, type of goods/services provided, permit number (if applicable), federal tax identification number, and the total amount of payments made by the Casino Operator or Casino Manager, or person(s) acting on their behalf. This report shall be received by the Division no later than the last day of the month following the quarter being reported. For each provider of professional services listed, the Casino Operator or the Casino Manager shall also submit a brief statement describing the nature and scope of the professional service rendered by each such provider, the number of hours of work performed by each such provider and the total amounts paid to each such provider by the Casino Operator or the Casino Manager, or any person(s) acting on behalf of the Casino Operator or the Casino Manager. For purposes of this section, providers of professional services include, but are not limited to, accountants, architects, attorneys, consultants, engineers and lobbyists, when acting in their respective professional capacities.

Q. The Casino Operator or Casino Manager shall have a continuing duty to review its internal controls to ensure the internal controls remain in compliance with the Act and the Division's rules.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2716. Clothing Requirements

A. All authorized persons accessing any count room when unaudited funds are present shall wear clothing without any pockets or other compartments with the exception of Division Agents, Security, Internal Audit, and External Audit.

B. Cage employees shall not bring purses, handbags, briefcases, bags or any other similar item into the cage unless it is transparent.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2717. Internal Controls; Table Games

A. Table Games Fill and Credit Slip Requirements (Computerized and Manual). The Casino Operator or Casino Manager shall utilize fill/credit slips to document the

transfer of chips and tokens to and from table games. All table game fill/credit slips shall be safeguarded in their distribution, use, and control as follows.

1. Fill/credit slips shall, at a minimum, be in triplicate form, in a continuous numerical series, numbered by the computer in a form utilizing the alphabet and only in one series at a time. The alphabet need not be used if the numerical series is not repeated during the business year.

a. Each slip shall be clearly and correctly marked *Fill* or *Credit*, whichever applies, and shall contain the following:

- i. correct date and time;
- ii. shift;
- iii. table number;
- iv. game type;
- v. amount of fill/credit by denomination and in total;
- vi. sequential slip number (manual slips may be issued in sequential order by location); and
- vii. identification code of the requestor, in stored data only.

b. All fill slips shall be distributed as follows.

i. One part shall be transported to the pit with the fill and, after the appropriate signatures are obtained, deposited in table drop box by the dealer/boxperson. The part that is placed in the drop box shall be of a different color for fills than that used for credits;

ii. One part shall be retained in the cage for reconciliation of the cashier bank;

iii. One part shall be forwarded to accounting or retained internally within the computer. This computer copy shall be known as the *restricted copy* and shall not be accessible to cage or pit employees. The stored data shall not be susceptible to change or removal by cage or pit personnel after preparation of a fill, with the exception of voids. Accounting shall be given access to the restricted copies of the fill slips.

c. All credit slips shall be distributed as follows.

i. One part shall be retained in the cage for reconciliation of the cashier bank upon completion of the credit transaction;

ii. One part shall be transported to the pit by the security officer who brought the chips, tokens, markers or monetary equivalents from the pit to the cage, and after the appropriate signatures are obtained, deposited in the table drop box by the dealer/boxperson. The part that is placed in the drop box shall be of different color for credits than that used for fills.

iii. One part shall be forwarded to accounting or retained internally within the computer. This computer copy shall be known as the *restricted copy* and shall not be accessible to cage or pit employees. The stored data shall not be susceptible to change or removal by cage or pit personnel after preparation of a credit, with the exception of voids. Accounting shall be given access to the restricted copies of the credit slips.

2. Processed slips shall be signed by at least the following individuals to indicate that each has counted the amount of the fill/credit and the amount agrees with the slip:

a. cashier who prepared the slip and issued the fill or received the items transferred from the pit;

b. runner, who shall be a gaming employee independent of the transaction, who carried the chips, tokens, or monetary equivalents to or from the table;

c. dealer/boxperson who received the fill or had custody of the credit prior to the transfer; and

d. pit supervisor who supervised the fill/credit.

3. Fill/credit slips that are voided shall be clearly marked *Void* across the face of all copies. On manual slips, the first and second copies shall have *Void* written across the face. The cashier shall print his employee number and sign his name on the voided slip. A brief statement of why the void was necessary shall be written on the face of all copies. The pit or cage supervisor who approves the void shall print his employee number and sign his name and shall print or stamp the date and time the void is approved. All copies shall be forwarded to accounting for accountability and retention on a daily basis.

4. Access to manual slips and slip processing areas shall be restricted to authorized personnel.

a. All manual unissued fill/credit slips shall be securely stored under the control of the accounting or security department.

b. All manual unissued fill/credit slips shall be controlled by a log which the accounting department shall agree to fill or credit slips purchase documents monthly.

5. The accounting department shall account for all slips daily and investigate all missing slips within ten (10) days. The investigation shall be documented and the documentation retained for a minimum of five (5) years.

B. Computerized Table Game Fill Procedures. Computerized Table Fill transactions shall be:

1. initiated by a pit supervisor and the order acknowledged by a cage cashier prior to the issuance of a fill slip and transportation of the chips, tokens, and monetary equivalents. The pit supervisor or pit clerk shall process the order for fill by entering the following information into the computer:

a. correct date and time (computer may automatically generate);

b. shift;

c. table number;

d. game type;

e. amount of fill by denomination and in total; and

f. identification code of preparer, in stored data only;

2. transported and deposited on the table only when accompanied by a legitimately executed fill slip;

3. physically transported from the cage by a runner who shall be a gaming employee independent of the transaction;

4. broken down or verified by the dealer/boxperson in public view before the dealer/boxperson places the fill in the tray;

5. acknowledged by the pit clerk or cage personnel via computer upon completion of the fill.

6. finalized by the cage cashier who shall complete the transaction via computer entry.

C. Cross-fills. Cross-fills between tables shall not be permitted.

D. Computerized Table Game Credit Procedures. Computerized Table Credit transactions shall be:

1. initiated by a pit supervisor and the order acknowledged by a cage cashier prior to the issuance of a credit slip and transportation of the chips, tokens, and monetary equivalents. The pit supervisor or pit clerk shall process the order for credit by entering the following information into the computer:

- a. correct date and time (computer may automatically generate);
 - b. shift;
 - c. table number;
 - d. game type;
 - e. amount of credit by denomination and in total;
- and
- f. identification code of preparer, in stored data only;

2. broken down or verified by the dealer/boxperson in public view before the dealer/boxperson places the credit in racks for transfer to the cage;

3. transacted and transferred from the table to the cage only when accompanied by a legitimately executed credit slip;

4. physically transported from the table by a runner who shall be a gaming employee independent of the transaction;

5. acknowledged by the pit clerk or cage personnel via computer upon completion of the credit.

6. finalized by the pit clerk or cage cashier who shall complete the transaction via computer entry.

E. Alternate Internal Control Procedures for Non-Computerized Table Games Transactions. For any non-computerized table games systems, alternate documentation and/or procedures which provide at least the level of control required by the above standards for fills and credits will be acceptable. Such procedures must be enumerated in the Casino Operator or Casino Manager's internal controls and approved by the Division.

F. Table Games Inventory Procedures. All table games shall be counted each gaming day simultaneously by a dealer/boxperson and a pit supervisor, or two pit supervisors. The count shall be conducted at the end of the gaming day except for tables which are counted and closed before the end of the gaming day. These tables do not have to be recounted at the end of the gaming day if they remained closed. At the beginning and end of each gaming day, each table's chip, token, and coin inventory shall be counted and recorded on a table inventory form. Additionally, tables which have remained closed after crediting the entire inventory back to the cage, will be exempt from conducting a daily count; however, the zero balance shall be documented in the table games paperwork for each day that they maintain a zero balance.

1. Table inventory forms shall be prepared, verified and signed by the dealer/boxperson and a pit supervisor, or two pit supervisors.

2. If the table banks are maintained on an imprest basis, a final fill or credit shall be made to bring the bank back to par.

3. If final fills are not made, beginning and ending inventories shall be recorded on the master game sheet for win calculation purposes.

4. Table inventory forms shall be placed in the drop box by someone other than a pit supervisor.

G. Credit Procedures in the Pit

1. Prior to the issuance of gaming credit to a player, the employee extending the credit shall determine if credit is available by entering the patron's name or account number into the computer. A password shall be used to access such information. Once availability is established, credit shall be extended only on the remaining balance authorized.

2. Proper authorization of credit extension in excess of the previously established limit shall be documented.

3. Amount of credit extended in the pit shall be communicated to the cage or another independent source with the amount documented to update the manual and/or computerized system within a reasonable time subsequent to each issuance.

4. The following information shall be maintained either manually or in the computer system:

a. the signature or initials of the individual(s) approving the extension of credit (unless such information is contained elsewhere for each issuance);

b. the name of the individual receiving the credit;

c. the date and shift granting the credit;

d. the table on which the credit was extended;

e. the amount of credit issued;

f. the marker number;

g. the amount of credit remaining after each issuance or the total credit available for all issuances;

h. the amount of payment received and nature of settlement (e.g., credit slip number, cash, chips, etc.); and

i. the signature or initials of the individual receiving payment/settlement.

5. Marker preparation shall be initiated and other records updated within approximately one hand of play following the initial issuance of credit to the player.

6. All credit extensions shall be initially evidenced by marker buttons which shall be displayed on the table in public view and placed there by supervisory personnel.

7. Marker buttons shall be removed only by the dealer or boxperson employed at the table upon completion of a marker transaction.

8. The marker slip shall, at a minimum, be in triplicate form, pre-numbered by the printer, and utilized in numerical sequence whether marker forms are manual or computer-generated. Manual markers may be issued in numerical sequence by location. The three parts shall be utilized as follows:

a. original - maintained in the pit until settled or transferred to the cage;

b. payment slip - sent immediately to the cage; accompanied by the original and a transfer slip; or maintained in the pit until:

i. the marker is paid, including partial payments; at which time it shall be placed in the drop box;

ii. the end of the gaming day; at which time it shall be sent immediately to the cage; accompanied by the original and a transfer slip.

c. issue slip - inserted into the appropriate table drop box when credit is extended or when the player has signed the original.

9. The original marker shall contain at least the following information:

a. preprinted number;

b. player's name and signature, date; and

c. amount of credit issued.

10. The issue slip or stub shall include the same preprinted number as the original, the table number, date and time of issuance, and amount of credit issued. The issue slip or stub also shall include the clear carbon copy signature of the individual extending the credit, and the clear carbon copy signature or initials of the dealer at the applicable table, unless this information is included on another document verifying the issued marker.

11. The payment slip shall include the same preprinted number as the original. When the marker is paid in full in the pit, it shall also include the table number where paid, date and time of payment, nature of settlement (cash, chips, etc.) and amount of payment. The payment slip shall also include the signature of a pit supervisor acknowledging payment, and the signature or initials of dealer/boxperson receiving payment, unless this information is included on another document verifying the payment of the marker.

12. The pit shall notify the cage via computer when the transaction is completed.

13. Markers (computer-generated and manual) that are voided shall be clearly marked *Void* across the face of all copies. The supervisor who approves the void shall print his employee number and sign his name, print or stamp the date and time the void is approved, and print the reason for the void. All copies of the voided marker shall then be forwarded to accounting for accountability and retention for a minimum of five (5) years.

14. Marker documentation shall be inserted in the drop box by the dealer/box person at the table.

15. When partial payments are made in the pit, a new marker shall be completed reflecting the remaining balance and the marker number of the marker originally issued.

16. When partial payments are made in the pit, the payment slip of the marker which was originally issued shall be properly cross-referenced to the new marker number and inserted into the drop box.

17. The cashier's cage or another independent source shall be notified when payments (full or partial) are made in the pit so that cage records can be updated for such transactions. Notification shall be made no later than when the patron's play is completed or at shift end, whichever is earlier.

18. All portions of markers, both issued and unissued, shall be safeguarded and procedures shall be employed to control the distribution, use and access to the forms.

19. An investigation shall be performed, by the accounting department, immediately following its notice of missing forms or any part thereof, to determine the cause and responsibility for loss whenever marker credit slips, or any part thereof, are missing, and the result of the investigation shall be documented, by the accounting department. The Division shall be notified in writing of the loss, disappearance or failure to account for marker forms within ten (10) days of such occurrence.

20. When markers are transferred to the cage, marker transfer slips shall be utilized and such documents shall include, at a minimum, the date, time, shift, marker number(s), table number(s), amount of each marker, the total amount transferred, signature of pit supervisor releasing instruments from pit, and instruments at the cage.

21. Markers shall be transported to the cashier's cage by an individual who is independent of the marker issuance and payment functions (pit clerks may perform this function).

22. Marker log documentation shall be maintained by numerical sequence, indicating marker number, name of patron, date marker issued, date paid, method of payment (if combination, i.e. chips/cash, amount paid by each method), and amount of credit remaining. This marker log documentation shall also be maintained by patron name in order to determine that credit was not extended beyond thirty (30) days.

H. Nonmarker Credit Play

1. Nonmarker credit play shall be prohibited except as provided in this Section.

2. Prior to the transacting of credit instruments (except traveler's checks) with a player, the employee extending the credit shall contact the cashier or another independent source to determine if the player's credit limit has been properly established and the remaining credit available is sufficient for the advance.

3. All credit instruments shall be transferred to the cashier's cage immediately following the acceptance of the instrument and issuance of chips.

4. An order for credit shall be completed which includes the patron's name and amount of the credit instrument in addition to the information required for a standard table credit.

5. The standards used for table credits shall be strictly adhered to for *name credits*, where applicable, including patron's name and amount of credit instrument.

6. The acceptance of payments in the pit for nonmarker credit instruments shall be strictly prohibited.

7. All nonmarker credit play shall be evidenced by the placement of a lammer or other identifiable designation in an amount equal to the wager.

8. The dealer shall place the lammer in the wagering area of the table only after the supervisor's specific authorization.

9. Nonmarker credit extensions shall be settled at the end of each hand of play by the preparation of a marker or payoff of the wager.

10. There shall be no other extension of credit without a marker.

I. Call Bets. Call bets shall be prohibited. A call bet is a wager made without chips, tokens, or cash.

J. Table Games Drop Procedures. The drop process shall be conducted at least once each gaming day according to a schedule submitted to the Division setting forth the specific times for such drops. Each Casino Operator or Casino Manager shall notify the Division of any changes to such schedules prior to the implementation of the change. Emergency drops which require removal of the table drop box require written notification to the Division within 24 hours following the emergency. The drop process shall be conducted as follows:

1. All locked drop boxes shall be removed from the tables by an individual independent of the pit shift being dropped. Surveillance shall be notified when the drop process begins. The entire drop process shall be videotaped by surveillance. At least one surveillance employee shall

monitor the drop process at all times. This employee shall record on the surveillance log the times that the drop process begins and ends, as well as any exceptions or variations to established procedures observed during the drop including each time the count room door is opened.

2. Upon removal from the tables, the drop boxes are to be placed in a drop box storage rack and locked therein for transportation directly to the count area or other secure place approved by the Division and locked in a secure manner until the count takes place.

3. The transporting of drop boxes shall be performed by a minimum of two individuals, at least one of whom is a security officer.

4. Access to all drop boxes regardless of type, full or empty, shall be restricted to authorized members of the drop and count teams.

K. Table Games Count Procedures. The counting of table game drop boxes shall be performed by a soft count team with a minimum of three persons. Count tables shall be transparent to enhance monitoring. Surveillance shall be notified when the count process begins and the count process shall be monitored in its entirety and video taped by surveillance. At least one surveillance or internal audit employee shall monitor the table count process at least one (1) randomly selected day per calendar week. This employee shall record any exceptions or variations to established procedures observed during the count. Surveillance shall notify count team members immediately if surveillance observes the visibility of hands or other activity is consistently obstructed in any manner. Testing and verification of the accuracy of the currency counter shall be conducted and documented quarterly. This test shall be witnessed by someone independent of the count team members.

1. Count team members shall be:

a. rotated on a routine basis. Rotation is such that the count team is not the same three individuals more than four days per week;

b. independent of transactions being reviewed and counted and the subsequent accountability of soft drop proceeds.

2. Soft count shall include:

a. a test count of the currency counter prior to the start of each count;

b. the emptying and counting of each drop box individually, daily;

c. the recordation of the contents of each drop box on the count sheet in ink or other permanent form prior to commingling the funds with funds from other boxes;

d. the display of empty drop boxes to another member of the count team or to surveillance;

e. the comparison of table numbers scheduled to be dropped to a listing of table numbers actually counted, as reflected on the count sheet, to ensure that all table game drop boxes are accounted for during each drop period;

f. the correction of information originally recorded by the count team on soft count documentation by crossing out the error, entering the correct figure, and then obtaining the initials of at least two count team members who verified the change;

g. after the count sheet has been reconciled to the currency, all members of the count team shall attest, by

signature, to the accuracy of the table games drop count. Three verifying signatures on the count sheet shall be adequate if all additional count team employees sign a supplemental document evidencing their involvement in the count process;

h. the transfer of all monies and monetary equivalents that were counted to the cage cashier who is independent of the count team or to an individual independent of the revenue generation and the count process for verification. This individual certifies by signature as to the accuracy of the monies delivered and received from the soft count team; if a pass-through window between the count room and the vault is not utilized, transfer of monies shall be accomplished in a locked transport cart;

i. the delivery of the count sheet, with all supporting documents, promptly to the accounting department by a count team member. Alternatively, it may be adequately secured (e.g., locked in a container to which only accounting personnel can gain access) until retrieved by the accounting department;

j. access to drop boxes, full or empty, shall be restricted to authorized members of the drop and count teams;

k. access to the count room during the count shall be restricted to members of the drop and count teams, agents of the Division, authorized observers as approved by the Division and supervisors for resolution of problems. Authorized maintenance personnel shall enter only when accompanied by security. A log shall be maintained in the count room and shall contain the following information:

i. name of each person entering the count room;

ii. reason each person entered the count room;

iii. date and time each person enters and exits the count room;

iv. date, time and type of any equipment malfunction in the count room; and

v. a description of any unusual events occurring in the count room.

3. Accounting/Auditing shall perform the following functions:

a. match the original and first copy of the fill/credit slips.

b. match orders for fills/credits to the fill/credit slips.

c. examine fill and credit slips for correctness and recordation on the Master Gaming Report.

d. trace or record pit marker issue and payment slips to the Master Gaming Report by the count team, unless other procedures are in effect which assure that issue and payment slips were placed into the drop box in the pit.

e. examine and trace or record the opening/closing table and marker inventory forms to the Master Gaming Report.

f. review accounting exception reports for the computerized table games on a daily basis for propriety of transactions and unusual occurrences. Documentation of the review and its results shall be retained for five (5) years.

L. Table Games Key Control Procedures. The keys used for table game drop boxes and soft count keys shall be controlled as follows.

1. Drop box release keys shall be maintained by a department independent of the pit department. Only the

person authorized to remove drop boxes from the tables shall be allowed access to the release keys. Count team members may have access to the release keys during the soft count in order to reset the drop boxes. Persons authorized to remove the table game drop boxes are precluded from having access to drop box contents keys. The physical custody of the keys needed for accessing full drop box contents requires involvement of persons from three separate departments. The involvement of at least two individuals independent of the cage department is required to access empty drop boxes.

2. Drop box storage rack keys shall be maintained by department independent of the pit department. Someone independent of the pit department shall be required to accompany such keys and observe each time drop boxes are removed from or placed in storage racks. Persons authorized to obtain drop box storage rack keys shall be precluded from having access to drop box contents keys with the exception of the count team.

3. Drop box contents keys shall be maintained by a department independent of the pit department. Only count team members are allowed access to the drop box contents keys. This control is not applicable to emergency situations which require drop box access at other than scheduled count times. At least three persons from separate departments, including management, must participate in these situations. The reason for access must be documented with the signatures of all participants and observers.

4. The issuance of soft count room keys and other count keys shall be witnessed by two gaming employees, who shall be from different departments. Neither of these two employees shall be members of the soft count team.

5. All duplicate keys shall be maintained and issued in a manner which provides the same degree of control over drop boxes as is required for the original keys.

6. Sensitive keys shall not be removed from the Casino. Access to the keys addressed in this Section shall be documented on key access log forms.

a. The logs shall contain the date and time of issuance, the key or ring of keys issued, the printed name, signature and employee number of the person to whom the key is issued, the printed name, signature and employee number of the person issuing the key the date and time of the key return, and reason for access to the secure area. If key rings are used, there shall be a listing with the key log specifying each key on each ring. Accountability is required.

b. Keys shall be logged out and logged in on a per shift basis. The employee who logs out the key shall be the employee who logs in the key. If, due to unforeseeable circumstances, a different employee logs in the key, surveillance shall be notified and surveillance shall monitor the entire log-in process including the return of the key to the key box. The videotape of the log-in process shall be retained for thirty (30) days.

M. Security of Cards and Dice. Playing cards and dice, not yet issued to the pit, shall be maintained in a secure location to prevent unauthorized access and reduce the possibility of tampering. Perpetual inventory records of the card and dice inventory are to be maintained according to parameters established by §4321 and §4325 of these Regulations.

N. Supervisory Controls. Pit supervisory personnel with authority equal to or greater than those being supervised shall provide supervision of all table games.

O. Table Games Records. The Casino Operator or Casino Manager shall maintain records and reports reflecting drop, win and drop hold percentage by table and type of game by day, cumulative month-to-date, and cumulative year-to-date. The reports shall be presented to and reviewed by management independent of the pit department on at least a monthly basis. The independent management shall investigate any unusual statistical fluctuations with pit supervisory personnel. At a minimum, investigations are performed for all statistical percentage fluctuations from the base level for a month in excess of plus or minus three percentage points. The results of such investigations are documented in writing and maintained for at least five (5) years by the Casino Operator or Casino Manager. The *base level* is defined as the Casino Operator or Casino Manager's statistical win to statistical drop percentage for the previous business year. For the initial year only, the *base level* shall be defined in the Casino Operator or Casino Manager's internal controls, subject to the Approval of the Division.

P. Accounting and MIS Training. Accounting and MIS personnel who perform table game computer functions shall be trained as Approved by the Division. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive internal controls regarding training procedures which shall include, but are not limited to the following:

1. Backup and Recovery

a. MIS shall perform tape backup of system data daily. Backup and recovery procedures shall be written and distributed to all applicable personnel. These policies shall include information and procedures (e.g., a description of the system, systems manual, etc.) that ensure the timely restoration of data in order to resume operations after a hardware or software failure.

b. MIS shall maintain either hard or disk copies of system-generated edit reports, exception reports, or transaction logs.

2. Access to Software/Hardware

a. MIS shall establish Security Groups based on each employee's job requirements. These Groups will determine the access level of the employee. This information shall be maintained by MIS which includes the employee's name, position, identification number, and the date authorization is granted. These files shall be updated as employees or the functions they perform change.

b. MIS shall print and review the computer security access report monthly. Discrepancies shall be investigated, documented, and maintained for five (5) years.

c. Only authorized personnel shall have physical access to the computer software/hardware.

d. All changes to the system and the name of the individual who made the change shall be documented.

e. Reports and other output generated by the system shall only be available and distributed to authorized personnel.

3. Computer Control

a. The pit credit system shall be secured, such that only authorized users can access it.

b. The delete option within an individual program shall be secured, such that only authorized users can execute it, i.e., delete a record.

c. The Casino Operator or Casino Manager shall change passwords periodically, as specified in the Casino Operator or Casino Manager's internal controls, to ensure security against false entry by unauthorized personnel.

d. The *secured copies* and the necessary documents shall be retained for five (5) years.

e. The Division shall have access to all information pertaining to table games. (e.g., restricted copies of slips so accuracy can be verified.)

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2719. Internal Controls; Handling of Cash

A. Each gaming employee, owner, or Casino Operator or Casino Manager who receives currency of the United States from a patron in the gaming area of a gaming establishment shall promptly place the currency in the lock box in the table or, in the case of a cashier, in the appropriate place in the cashiers' cage, or on those games which do not have a lock box or on poker tables, in an appropriate place on the table, in the cash register, or other repository approved by the Division.

B. No cash wagers shall be allowed to be placed at any gaming table. Such cash shall be converted to chips or tokens prior to acceptance of a wager. All wagers other than those made with the Casino Operator or Casino Manager's approved chips and tokens are expressly prohibited.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2721. Internal Controls; Tips or Gratuities

A. No gaming employee other than slot gaming employees, change persons, cashiers, and bar tenders shall accept currency as a tip or gratuity from any patron, during or outside a shift unless immediately converted into value chips. Security personnel may accept currency as a tip or gratuity only outside the designated gaming areas in the Casino.

B. No gaming operation key employee or boxperson, floorperson or any other gaming operation employee who serves in a supervisory position shall solicit or accept, any tip or gratuity from any player or patron of the gaming operation where he is employed. The Casino Operator or Casino Manager shall not permit any practices prohibited by Subsection A of this Section.

C. All tips and gratuities given to gaming employees other than slot gaming employees shall be:

1. immediately deposited in a transparent locked box reserved for that purpose. If non-value chips are received at a roulette table, the marker button indicating their specific

value shall not be removed from the slot or receptacle attached to the outer rim of the roulette wheel until after a dealer, in the presence of a supervisor, has converted them into value chips which are immediately deposited in a transparent locked box reserved for that purpose;

2. accounted for by a recorded count conducted by both of the following:

a. a randomly selected dealer and a randomly selected employee who is independent of the tips being counted, excluding the employees referenced in §2721 A. of these Regulations.

3. placed in a pool for pro rata distribution among the dealers on a basis that coincides with the normal pay period, with a distribution approved by the Division. Tips or gratuities from this pool shall be deposited into the Casino Operator or Casino Manager's payroll account. Distributions to dealers from this pool shall be made following the Casino Operator or Casino Manager's payroll accounting practices and shall be subject to all applicable state and federal withholding taxes; and

4. The Casino Operator or Casino Manager may elect to handle tips generated in its poker room separately from the pro rata distribution pool. Tips or gratuities may be assigned to the dealer generating said tip or gratuity, and the following procedures shall be used:

a. Each dealer shall have a locked transparent box that has been marked with their name or otherwise coded for identification. Keys to these boxes shall be maintained by the cage department. When not in use, these boxes shall be stored in a locked storage cabinet or other approved lockable storage medium in the poker room itself. Keys to the storage cabinet shall be maintained by a poker room supervisor, hereinafter referred to as the keyholder;

b. When a poker dealer arrives at their assigned poker table, the dealer and the keyholder shall obtain the dealer's marked transparent locked box from the locked storage cabinet. The box shall be placed at the poker table in the same manner as any other dealer token box. If the dealer leaves the poker table for any reason, the dealer's marked box shall be removed from the table by the dealer and the keyholder and returned to the storage cabinet.

c. At the end of the dealer's shift, the dealer along with an independent verifier (an employee independent of the table games and cage departments), shall take that dealer's marked transparent locked box to the cage for counting. The cage employee shall unlock, empty, and relock the box. The cage employee shall count the contents of the box in the presence of the dealer and the independent verifier. The amount shall be recorded on a three part voucher, and signed by the cage employee, the dealer, and the independent verifier. The three parts of the voucher shall be distributed as follows:

i. one part shall be given to the dealer for their personnel records;

ii. one part shall be maintained by the cage;

iii. one part shall be forwarded to the payroll department.

d. Tips or gratuities counted above shall be deposited into the Casino Operator or Casino Manager's payroll account. Distribution to the dealer for the tips or gratuities earned by the dealer at poker tables shall be made in accordance with the Casino Operator or Casino Manager's

payroll accounting practices and shall be subject to all applicable state and federal withholding taxes and regulations. No distributions shall be made to the dealer in any other manner.

e. At a poker room dealer's option, a poker room dealer may tip any cashier working as the poker room cashier during the poker room dealer's shift. Any such tip shall be handled when the poker room dealer's tips are counted as defined above. A section of the dealer's tip voucher shall be marked to allow the dealer to indicate which cashier(s) the dealer wishes to tip and the amount of said tip. The tip shall be deducted from the dealer's total tips at the time of the count. Tips given to a cashier in this manner shall be distributed to the cashier in accordance with the Casino Operator or Casino Manager's payroll accounting practices and shall be subject to all applicable state and federal withholding taxes and regulations. No tips from a poker room dealer shall be made to a cashier in any other manner.

f. Surveillance shall have the capability to monitor and shall continuously record open poker tables.

D. Upon receipt from a patron of a tip or gratuity, a dealer assigned to the gaming table shall extend his arm in an overt motion, and deposit such tip or gratuity in the transparent locked box reserved for such purpose.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2723. Internal Controls; Slots

A. Any reference to slot machines or slots in this Section includes all Electronic Gaming Devices.

B. Whenever a patron wins a jackpot that is not totally and automatically paid directly from the electronic gaming device, a slot attendant shall prepare and process according to the Casino Operator or Casino Manager's internal controls, a request for jackpot payout form. A request for jackpot payout form is not required if all of the following conditions are met:

1. a slot representative manually inputs the jackpot information into the computer;
2. a jackpot slip is generated through the computer system; and
3. the cashier uses this information to pay the jackpot.

C. The request for jackpot payout form (if required) shall contain, at a minimum, the following information:

1. date and time the jackpot was processed;
2. the electronic gaming device machine number and location number;
3. the denomination of the electronic gaming device;
4. number of coins/tokens played;
5. combination of reel characteristics;
6. on short pays, amount the machine paid; and
7. amount of hand-paid jackpot.

D. The Casino Operator or Casino Manager shall use multi-part jackpot payout slips as approved by the Division to document any jackpot payouts or short pays. The jackpot slips shall be in a continuous numerical series, numbered by the printer in a form utilizing the alphabet, and only in one series at a time. The alphabet need not be used if the

numerical series is not repeated during the business year. Manual jackpot slips may be utilized in numerical sequence by location.

1. A three-part jackpot payout slip which is clearly marked *jackpot* shall be utilized. The third copy may be the secured copy retained in the computer or whiz machine. Each jackpot slip shall include the following information:

- a. date and time during which the jackpot was processed;
- b. denomination;
- c. machine and location number of the electronic gaming device on which the jackpot was registered;
- d. number of coins/tokens played;
- e. dollar amount of payout in both alpha and numeric. Alpha is optional if another unalterable method is used for evidencing the amount of the jackpot or fill;
- f. game outcome including reel symbols, card values and suits, etc. for jackpot payouts;
- g. pre-printed or concurrently-printed sequential numbers;
- h. signature of the cashier;
- i. signature of two slot attendants verifying and witnessing the payout if the jackpot is less than \$1200; Signature of one slot attendant and security officer verifying and witnessing the payout if the jackpot is \$1200 or greater.

2. Jackpot slips that are voided shall be clearly marked *Void* across the face of all copies. On manual slips, only the first and second copies shall have *Void* written across the face. The cashier and slot or cage supervisor shall print their employee numbers and sign their names on the voided slip. The supervisor who approves the void shall print or stamp the date and time the void is approved. A brief statement of why the void was necessary shall be written on the face of all copies. All copies shall be forwarded to accounting for accountability and retention on a daily basis.

3. Computerized jackpot/payout systems shall be restricted so as to prevent unauthorized access and fraudulent payouts by an individual.

4. Jackpot payout forms shall be controlled and routed in a manner that precludes any one individual from producing a fraudulent payout by forging signatures, or by altering the amount paid subsequent to the payout, and misappropriating the funds. One copy of the jackpot payout slip shall be retained in a locked box located outside the change booth/cage where jackpot payout slips are executed or as otherwise Approved by the Division.

5. Jackpot overrides shall have the notation *override* printed on all copies. Jackpot override reports shall be run on a daily basis.

6. Jackpot payout slips shall be used in sequential order.

E. If a jackpot is \$1,200 or greater in value, the following information shall be obtained by the slot attendant prior to payout and for preparation of a form W-2G:

1. valid ID;
2. name, address, and social security number (if applicable) of the patron;
3. amount of the jackpot; and
4. any other information required for completion of the form W-2G.

F. If the jackpot is \$5,000 or more, a surveillance photograph shall be taken of the winner and the payout form

shall be signed by a slot supervisor or casino shift manager in addition to Subsection D and E.

G. If the jackpot is \$10,000 or more, the slot attendant shall notify a slot technician who shall remove the electronic board housing the EPROM's. A surveillance photograph of the Division seal covering the EPROM shall be taken before the jackpot is paid. This photograph shall be attached to the jackpot payout form. This is in addition to requirements as stated in Subsection D, E and F.

H. If the jackpot is \$100,000 or more, the Casino Operator or Casino Manager shall notify the Division immediately. A Division agent shall be present prior to the opening of the electronic gaming device. Surveillance shall constantly monitor the electronic gaming device until payment of the jackpot has been completed or until otherwise directed by a Division Agent. Once a Division Agent is present, the electronic board housing the EPROM's shall be removed by a slot technician, the EPROM's shall be inspected and tested in a manner prescribed by the Division. There shall be conformance to procedures as mentioned in Subsection D, E, F, and G. The payout form shall also be signed by a Casino Shift Manager.

I. The Casino Operator or Casino Manager shall use multi-part slot fill slips as approved by the Division to document any fill made to a slot machine hopper. The fill slips shall be in a continuous numerical series, numbered by the printer in a form utilizing the alphabet, and only in one series at a time. The alphabet need not be used if the numerical series is not repeated during the business year. Manual fill slips may be utilized in numerical sequence by location.

1. A three-part slot fill slip which is clearly marked *fill* shall be utilized. The third copy may be the secured copy retained in the computer or whiz machine. Each fill slip shall include the following information:

- a. date and time;
- b. machine and location number;
- c. dollar amount of slot fill in both alpha and numeric. Alpha is optional if another unalterable method is used for evidencing the amount of the slot fill;
- d. signatures of at least two employees verifying and witnessing the auxiliary or emergency slot fill; and
- e. pre-printed or concurrently-printed sequential number.

2. Computerized slot fill slips shall be restricted so as to prevent unauthorized access and fraudulent slot fills by one individual.

3. Hopper fill slips shall be controlled and routed in a manner that precludes any one individual from producing a fraudulent fill by forging signatures, or by altering the amount paid subsequent to the fill, and misappropriating the funds. One copy of the hopper fill slip shall be retained in a locked box located outside the change booth/cage where hopper fill slips are executed, or as otherwise Approved by the Division.

4. The initial slot fills shall be considered part of the coin inventory and shall be clearly designated as *slot loads* on the slot fill slip.

5. Slot fill slips that are voided shall be clearly marked *Void* across the face of all copies. On manual slips, the first and second copies shall have *Void* written across the face. The cashier and slot or cage supervisor shall print their

employee numbers and sign their names on the voided slip. The supervisor who approves the void shall print or stamp the date and time the void is approved. A brief statement of why the void was necessary shall be written on the face of all copies. All copies shall be forwarded to accounting for accountability and retention on a daily basis.

6. Slot fill slips shall be used in sequential order.

J. The Casino Operator or Casino Manager shall remove the slot drop from each machine according to a schedule, submitted to the Division, setting forth the specific times for such drops. All slot drop buckets, including empty slot drop buckets, shall be removed according to the schedule. Each Casino Operator or Casino Manager shall notify the Division at least five (5) days prior to implementing a change to this schedule, except in emergency situations. The Division reserves the right to deny a Casino Operator or Casino Manager's drop schedule with cause. Emergency drops, including those for maintenance and repairs which require removal of the slot drop bucket, require written notification to the Division within 24 hours following the emergency drop. Prior to opening any slot machine, emptying or removing any slot drop bucket, security and surveillance shall be notified that the drop is beginning.

1. The slot drop process shall be monitored in its entirety and video taped by surveillance including transportation to the count room or other secured area as approved by the Division. At least one surveillance employee shall monitor the drop process at all times. This employee shall record on the surveillance log the time that the drop process begins and ends, as well as any exceptions or variations to established procedures observed during the drop.

2. The Casino Operator or Casino Manager shall submit its drop transportation route from the gaming area to the count room to the Division prior to implementing or changing the route.

3. A minimum of three employees shall be involved in the removal of the slot drop, at least one of whom is independent of the slot department.

4. Drop team shall collect each drop bucket and ensure that the correct tag or number is added to each bucket.

5. Security shall be provided over the slot buckets removed from the slot drop cabinets prior to being transported to the count area. Slot drop buckets must be secured in a locked slot drop cabinet/cart during transportation to the count area.

6. If more than one trip is required to remove the slot drop from all of the machines, the filled carts or coins shall be either locked in the count room or secured in another equivalent manner as approved by the Division .

7. At least once per year, in conjunction with the regularly scheduled drop, a complete *sweep* shall be made of hopper and drop bucket cabinets for loose tokens and coins. Such tokens/coins should be placed in respective hoppers and drop buckets and not commingled with other machines.

8. Once all drop buckets are collected, the drop team shall notify security and surveillance that the drop has ended.

9. On the last gaming day of each calendar month, the Casino Operator or Casino Manager's drop shall include

both drop buckets and currency acceptor drop boxes of all slot machines.

K. The contents of the slot drop shall be counted in a hard count room according to a schedule, submitted to the Division, setting forth the specific times for such counts.

1. The issuance of the hard count room key, shall be witnessed by two gaming employees, who shall be from different departments. Neither of these two employees shall be members of the count team.

2. Access to the hard count room during the slot count shall be restricted unless three count team members are present. All persons exiting the count room, with the exception of Division Agents, shall be wanded by Security with a properly functioning hand-held metal detector (wand). A log shall be maintained in the count room and shall contain the following information:

- a. name of each person entering the count room;
- b. reason each person entered the count room;
- c. date and time each person enters and exits the count room;
- d. date, time and type of any equipment malfunction in the count room; and
- e. a description of any unusual events occurring in the count room.

3. The slot count process shall be monitored in its entirety and videotaped by surveillance including transportation to the count room or other secured area as approved by the Division. At least one surveillance or internal audit employee shall monitor the count process at least two randomly selected days per calendar month. This employee shall record on the surveillance log the times that the count process begins and ends, as well as any exceptions or variations to established procedures observed during the count, including each time the count room door is opened. Surveillance shall notify the count team members immediately if surveillance observes the visibility of hands or other activity is consistently obstructed in any manner.

4. Prior to each count, the count team shall perform a test of the weigh scale. The results shall be recorded and signed by at least two count team members. The initial weigh/count shall be performed by a minimum of three employees, who shall be rotated on a routine basis. The rotation shall be such that the count team shall not be the same three employees more than four days per week.

5. The slot count team shall be independent of the generation of slot revenue and the subsequent accountability of slot count proceeds. Slot department employees can be involved in the slot count and/or subsequent transfer of the wrap, if they perform in a capacity below the level of slot shift supervisor.

6. The following functions shall be performed in the counting of the slot drop.

a. The slot weigh and wrap process shall be controlled by a count team supervisor. The supervisor shall be precluded from performing the initial recording of the weigh/count unless a weigh scale with a printer is used.

b. Each drop bucket shall be emptied and counted individually. Drop buckets with zero drop shall be individually entered into the computerized slot monitoring system.

c. Contents of each drop bucket shall be recorded on the count sheet in ink or other permanent form prior to

commingling the funds with funds from other buckets. If a weigh scale interface is used, the slot drop figures are transferred via direct line to computer storage media.

d. The recorder and at least one other count team members shall sign the slot count document or weigh tape attesting to the accuracy of the initial weigh/count.

e. At least three employees who participate in the weigh/count and/or wrap process shall sign the slot count document.

f. The coins shall be wrapped and reconciled in a manner which precludes the commingling of slot drop coin with coin for each denomination from the next slot drop.

g. Transfers out of the count room during the slot count and wrap process are either strictly prohibited; or if transfers are permitted during the count and wrap, each transfer is recorded on a separate multi-part prenumbered form (used solely for slot count transfers) which is subsequently reconciled by the accounting department to ensure the accuracy of the reconciled wrapped slot drop. Transfers, as noted above, are counted and signed for by at least two members of the count team and by someone independent of the count team who is responsible for authorizing the transfer.

h. If the count room serves as a coin room and coin room inventory is not secured so as to preclude access by the count team, then the next two requirements shall be complied with.

i. At the commencement of the slot count;
(a) the coin room inventory shall be counted by at least two employees, one of whom shall be a member of the count team and the other shall be independent of the weigh/count and wrap procedures.

(b) the above count shall be recorded on an appropriate inventory form.

ii. Upon completion of the wrap of the slot drop:
(a) at least two members of the count team independent from each other, shall count the ending coin room inventory;

(b) the above counts shall be recorded on a summary report(s) which evidences the calculation of the final wrap by subtracting the beginning inventory from the sum of the ending inventory and transfers in and out of the coin room;

(c) the same count team members who counted the ending coin room inventory shall compare the calculated wrap to the initial weigh/count, recording the comparison and noting any variances on the summary report;

(d) a member of the cage/vault department counts the ending coin room inventory by denomination. This count shall be reconciled to the beginning inventory, wrap, transfers and initial weigh/count on a timely basis by the cage/vault or other department independent of the slot department and the weigh/wrap procedures;

(e) at the conclusion of the reconciliation, at least two count/wrap team members and the verifying employee shall sign the summary report(s) attesting to its accuracy.

i. If the count room is segregated from the coin room, or if the coin room is used as a count room and the coin room inventory is secured to preclude access by the count team, upon completion of the wrap of the slot drop:

i. at least two members of the count/wrap team shall count the final wrapped slot drop independently from each other;

ii. the above counts shall be recorded on a summary report;

iii. the same count team members as discussed above (or the accounting department) shall compare the final wrap to the weigh/count recording the comparison and noting any variances on the summary report;

iv. a member of the cage/vault department shall count the wrapped slot drop by denomination and reconcile it to the weigh/count;

v. at the conclusion of the reconciliation, at least two count team members and the cage/vault employee shall sign the summary report attesting to its accuracy;

vi. the wrapped coins (exclusive of proper transfers) are transported to the cage, vault or coin vault after the reconciliation of the weigh/count to the wrap.

j. The count team shall compare the weigh/count to the wrap count daily. Variances of one percent (2%) or greater per denomination between the weigh/count and wrap shall be investigated by the accounting department on a daily basis. The results of such investigation shall be documented and maintained for five (5) years.

k. All slot count and wrap documentation, including any applicable computer storage media, is immediately delivered to the accounting department by other than the cashier's department. Alternatively, it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.

l. Corrections on slot count documentation shall be made by crossing out the error, entering the correct figure, and then obtaining the initials of at least two count team employees. If a weigh scale interface is used, corrections to slot count data shall be made using either of the following:

i. crossing out the error on the slot document, entering the correct figure, and then obtaining the initials of at least two count team employees. If this procedure is used, an employee independent of the slot department and count team enters the correct figure into the computer system prior to the generation of a related slot report(s);

ii. during the count process, correct the error in the computer system and enter the passwords of at least two count team employees. If this procedure is used, an exception report is generated by the computer system identifying the slot machine number, the error, the correction and the count team employees testifying to the corrections.

m. At least three employees are present throughout the wrapping of the slot drop. If the slot count is conducted with a continuous mechanical count meter which is not reset during the count and is verified in writing by at least three employees at the start and end of each denomination count, then this requirement is not applicable.

n. If the coins are not wrapped immediately after being weighed/counted, they are secured and not commingled with other coin. The term *wrapped slot drop* includes wrapped, bagged (with continuous metered verification), and racked coin/tokens.

o. If the coins are transported off the property, a second (alternative) count procedure must be performed

before the coins leave the property, and any variances are documented.

L. Each hard count area shall be equipped with a weigh scale to weigh the contents of each slot drop bucket.

1. A weigh scale calibration module shall be secured so as to prevent unauthorized access and shall have the manufacturer's control to preserve the integrity of the device. Internal Audit shall test the accuracy of the weigh table at a minimum of once per quarter. The manufacturer shall calibrate the weigh scale at a minimum of once per year. Someone independent of the cage, vault, slot and count team functions shall be required to be present whenever the calibration module is accessed. Such access shall be documented and maintained. The controller or his designee shall be the only persons with access to the weigh calibration keys.

2. If a weigh scale interface is used, it shall be adequately restricted so as to prevent unauthorized access.

3. If the weigh scale has a *zero adjustment mechanism*, it shall be either physically limited to minor adjustments or physically situated such that any unnecessary adjustments to it during the weigh process would be observed by other count team members.

4. The weigh scale and weigh scale interface shall be tested by the internal auditors or someone else who is independent of the cage, vault and slot departments and count team at least on a quarterly basis with the test results being documented.

5. During the slot count at least two employees shall verify the accuracy of the weigh scale with varying weights or with varying amounts of previously counted coin for each denomination to ensure the scale is properly calibrated.

6. The preceding weigh scale and weigh scale interface test results shall be documented and maintained.

7. If a mechanical coin counter is used (instead of a weigh scale), procedures equivalent to those described in §2723.L.4 and §2723.L.5 of these Regulations shall be utilized.

M. The Casino Operator or Casino Manager shall maintain accurate and current records for each slot machine, including:

1. initial meter readings, both electronic and system, including coin in, coin out, drop, total jackpots paid, and games played for all machines. These readings shall be recorded prior to commencement of Patron play for both new machines and machines changed in any manner other than changes in theoretical hold;

2. a report shall be produced at least monthly showing month-to-date and year-to-date actual hold percentage computations for individual machines and a comparison to each machine's theoretical hold percentage. If practicable, the report should include the actual hold percentage for the entire time the machine has been in operation. Actual hold equals dollar amount of win divided by dollar amount of coin in;

a. variances between theoretical hold and actual hold of greater than two percent (2%) shall be investigated, resolved and findings documented.

3. records for each machine which indicate the dates and type of changes made and the recalculation of theoretical hold as a result of the changes;

4. the date the machine was placed into service, the date the machine was removed from operation, the date the machine was placed back into operation, and any changes in machine numbers and designations;

5. system meter readings, recorded immediately prior to or subsequent to each slot drop. Electronic meter readings for coin-in, coin-out, drop and total jackpots paid shall be recorded at least once a month;

a. the employee who records the electronic meter reading shall be independent of the hard count team. Meter readings shall be randomly verified annually for all slot machines by someone other than the regular electronic meter reader;

b. upon receipt of the meter reading summary, the accounting department shall review all meter readings for reasonableness using pre-established parameters;

c. meter readings which do not appear reasonable shall be reviewed with slot department employees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected;

6. the statistical reports, which shall be reviewed by both slot department management and management employees independent of the slot department on a monthly basis;

7. theoretical hold worksheets, which shall be reviewed by both slot department management and management employees independent of the slot department semi-annually;

8. maintenance of the computerized slot monitoring system data files, which shall be performed by a department independent of the slot department. Alternatively, maintenance may be performed by slot supervisory employees if sufficient documentation is generated and it is randomly verified by employees independent of the slot department on a daily basis;

9. updates to the computerized slot monitoring systems to reflect additions, deletions or movements of slot machines, which shall be made immediately preceding the addition or deletion in conjunction with electronic meter readings and the weigh process.

N. When slot machines are removed from the floor, slot loads, including hopper fills, shall be dropped in the slot drop bucket and routed to the coin room for inclusion in the next hard count.

O. Keys to a slot machine's drop bucket cabinet shall be maintained by a department independent of the slot department. The issuance of slot machine drop bucket cabinet keys shall be observed by security and a person independent of the slot drop team. Security shall accompany the key custodian and such keys and observe each time a slot machine drop cabinet is accessed unless surveillance is notified each time the keys are checked out and surveillance observes the person throughout the period the keys are checked out. Keys shall be logged out and logged in on a per shift basis. The employee who logs out the key shall be the employee who logs in the key. If, due to unforeseen circumstances, a different employee logs in the key, surveillance shall be notified and surveillance shall monitor the entire log-in process including the return of the key to the key box. The video tape of the log-in process shall be retained for thirty (30) days.

P. Sensitive keys shall not be removed from the Casino. Access to the keys shall be documented on key access log forms.

1. The logs shall contain the date and time of issuance, the key or ring of keys issued, the printed name, signature and employee number of the person to whom the key is issued, the printed name, signature and employee number of the person issuing the key, the date and time of the key return and reason for access to the secure area. If key rings are used, there shall be a listing with the key log specifying each key on each ring. Accountability is required.

2. Keys shall be logged out and logged in per shift. The employee who logs out the key shall be the employee who logs in the key. If, due to unforeseen circumstances, a different employee logs in the key, surveillance shall be notified and surveillance shall monitor the entire log-in process including the return of the key to the key box. The video tape of the log-in process shall be retained for thirty (30) days.

Q. Currency Acceptor Drop and Count Standards

1. Devices accepting U.S. currency for credit on, or change from, slot machines must provide a locked drop box whose contents are separately keyed from the drop bucket cabinet.

2. The currency acceptor drop box shall be removed by an employee independent of the slot department according to a schedule, submitted to the Division, setting forth the specific times for such drops. Emergency drops, including those for maintenance and repairs which require removal of the currency acceptor drop box, require written notification to the Division within 24 hours detailing date, time, machine number and reason. Prior to emptying or removing any currency acceptor drop box, the drop team shall notify security and surveillance that the drop is beginning.

3. The currency acceptor drop process shall be monitored in its entirety and videotaped by surveillance including transportation to the count room or other secured areas as approved by the Division. At least one surveillance employee shall monitor the drop process at all times. This employee shall record on the surveillance log the time that the drop begins and ends, as well as any exceptions or variations to established procedures observed during the drop, including each time the count room door is opened.

4. The Casino Operator or Casino Manager shall submit its drop transportation route from the gaming area to the count room to the Division prior to implementing or changing the route.

5. Drop team shall collect each currency acceptor drop box and ensure that the correct tag or number is added to each box.

6. Security shall be provided over the currency acceptor drop boxes removed from the electronic gaming devices prior to being transported to the count area.

7. Upon removal, the currency acceptor drop boxes shall be placed in a drop box storage rack and locked therein for transportation directly to the count area or other secure place approved by the Division and locked in a secure manner until the count takes place.

8. The transporting of currency acceptor drop boxes shall be performed by a minimum of two employees, at least one of whom shall be a security officer.

9. Once all currency acceptor drop boxes are collected, the drop team or security shall notify surveillance and other appropriate personnel that the drop has ended.

10. Surveillance shall notify the count team members immediately if surveillance observes the visibility of hands or other activity is consistently obstructed in any manner.

11. The currency acceptor count shall be performed by a minimum of three employees consisting of a recorder, counter and verifier.

12. Currency acceptor count team members shall be rotated on a routine basis. Rotation shall be such that the count team shall not be the same three employees more than four days per week.

13. The currency acceptor count team shall be independent of transactions being reviewed and counted, and the subsequent accountability of currency drop proceeds.

14. Daily, the count team shall verify the accuracy of the currency counter by performing a test count. The test count shall be recorded and signed by at least two count team members.

15. The currency acceptor drop boxes shall be individually emptied and counted on the count room table.

16. As the contents of each box are counted and verified by the counting employees, the count shall be recorded on the count sheet in ink or other permanent form of recordation prior to commingling the funds with funds from other boxes.

17. Drop boxes, when empty, shall be shown to another member of the count team or to surveillance.

18. The count team shall compare a listing of currency acceptor drop boxes scheduled to be dropped to a listing of those drop boxes actually counted, to ensure that all drop boxes are accounted for during each drop period.

19. Corrections to information originally recorded by the count team on currency acceptor count documentation shall be made by crossing out the error, entering the correct figure, and then obtaining the initials of at least two count team members who verified the change.

20. After the count sheet has been reconciled to the currency, all members of the count team shall attest by signature to the accuracy of the currency acceptor drop count. Three verifying signatures on the count sheet shall be adequate if all additional count team employees sign a supplemental document evidencing their involvement in the count process.

21. All monies that were counted shall be turned over to the cage cashier (who shall be independent of the count team) or to an employee independent of the revenue generation and the count process for verification, who shall certify by signature as to the accuracy of the currency delivered and received.

22. Access to all drop boxes regardless of type, full or empty shall be restricted to authorized members of the drop and count teams.

23. Access to the soft count room and vault shall be restricted to members of the drop and count teams, agents of the Division, authorized observers as approved by the Division and supervisors for resolution of problems. Authorized maintenance personnel shall enter only when accompanied by security. A log shall be maintained in the soft count room and vault. The log shall contain the following information:

- a. name of each person entering the count room;
- b. reason each person entered the count room;
- c. date and time each person enters and exits the count room;
- d. date, time and type of any equipment malfunction in the count room; and
- e. a description of any unusual events occurring in the count room.

24. The count sheet, with all supporting documents, shall be promptly delivered to the accounting department by someone other than the cashiers department. Alternatively, it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.

25. The physical custody of the keys needed for accessing full currency acceptor drop box contents shall be videotaped by surveillance at all times.

26. Currency acceptor drop box release keys are maintained by a department independent of the slot department. Only the employee authorized to remove drop boxes from the currency acceptor is allowed access to the release keys. (The count team members may have access to the release keys during the count in order to reset the drop boxes if necessary.) Employees authorized to drop the currency acceptor drop boxes are precluded from having access to drop box contents keys.

27. An employee independent of the slot department shall be required to accompany the currency acceptor drop box storage rack keys and observe each time drop boxes are removed from or placed in storage racks. Employees authorized to obtain drop box storage rack keys shall be precluded from having access to drop box contents keys (with the exception of the count team).

28. Only count team members shall be allowed access to drop box contents keys. This standard does not affect emergency situations which require currency acceptor drop box access at other than scheduled count times. At least three employees from separate departments, including management, shall participate in these situations. The reason for access shall be documented with the signatures of all participants and observers.

29. The issuance of soft count room and other count keys, including but not limited to acceptor drop box contents keys, shall be witnessed by two gaming employees, who shall be from different departments. Neither of these two employees shall be members of the count team. Keys shall be logged out and logged in on a per shift basis. The employee who logs out the key shall be the employee who logs in the key. If a different employee logs in the key, surveillance shall be notified and surveillance shall monitor the entire log-in process including the return of the key to the key box. The videotape of the log-in process shall be retained for thirty (30) days.

30. Duplicate keys shall be maintained and issued in such a manner as to provide the same degree of control over drop boxes as is required for the original keys.

31. Sensitive keys shall not be removed from the Casino and access to the keys shall be documented on key access log forms.

- a. The logs shall contain the date and time of issuance, the key or ring of keys issued, the printed name, signature and employee number of the person to whom the

key is issued, the printed name, signature and employee number of the person issuing the key, the date and time of the key return and reason for access to the secure area. If key rings are used, there shall be a listing with the key log specifying each key on each ring. Accountability is required.

b. Keys shall be logged out and logged in on a per shift basis. The employee who logs out the key shall be the employee who logs in the key. If a different employee logs in the key, surveillance shall be notified and surveillance shall monitor the entire log-in process including the return of the key to the key box. The video tape of the log-in process shall be retained for thirty (30) days.

R. Computer Records. At a minimum, the Casino Operator or Casino Manager shall generate, review, document review, and maintain slot reports on a daily basis for the respective system(s) utilized in their operation as prescribed by the Division.

S. Management Information Systems (MIS) Functions

1. Backup and Recovery

a. MIS shall perform tape backup of system data daily. Backup and recovery procedures shall be written and distributed to all applicable personnel. These polices shall include information and procedures (e.g., a description of the system, systems manual, etc.) that ensure the timely restoration of data in order to resume operations after a hardware or software failure.

b. MIS shall maintain either hard or disk copies of system generated edit reports, exception reports and transaction logs.

2. Software/Hardware

a. MIS shall maintain a personnel access listing which includes, at a minimum the employee's name, position, identification number, and a list of functions the employee is authorized to perform including the date authorization is granted. These files shall be updated as employees or the functions they perform change.

b. MIS shall print and review the computer security access report at the end of each shift. Discrepancies shall be investigated, documented and maintained for five (5) years.

c. Only authorized personnel shall have physical access to the computer software/hardware.

d. All changes to the system and the name of the individual who made the change shall be documented.

e. Reports and other output generated by the system shall only be available and distributed to authorized personnel.

3. Application Controls

a. Application controls shall include procedures that prove assurance of the accuracy of the data input, the integrity of the processing performed, and the verification and distribution of the output generated by the system. Examples of these controls include:

i. proper authorization prior to data input (e.g. passwords);

ii. use of parameters or reasonableness checks; and

iii. use of control totals on reports and comparison of them to amounts input.

b. Documents created from the above procedures shall be maintained for five (5) years.

T. The accounting department shall perform the following audit procedures relative to slot operations:

1. collect jackpot and hopper fill slips (computerized and manual) daily from the locked Accounting box and the cashier cage or as otherwise Approved by the Division;

2. review jackpot/fill slips daily for continuous sequence. Ensure that proper procedures were used to void slips. Investigate all missing slips and errors within ten (10) days. Document the investigation and retain the results for a minimum of five (5) years;

3. manually add, on a daily basis, all jackpot/fill slips and trace the totals from the slips to the system generated totals. Document all variances and retain documentation for five (5) years;

4. collect the hard count and currency acceptor count results from the count teams and compare the actual count to the system-generated meter reports on a daily basis;

5. prepare reports of their daily comparisons by device, by denomination and in total of the actual count for hard and soft count to system-generated totals. Report variance(s) of \$100 or greater to the slot department for investigation. Maintain a copy of these reports five (5) years;

6. compare a listing of slot machine numbers scheduled to be dropped to a listing of slot machine numbers actually counted to ensure that all drop buckets and currency acceptors are accounted for during each drop period;

7. investigate any variance of one percent (2%) or more per denomination between the weigh/count and wrap immediately. Document and maintain the results of such investigation for five (5) years;

8. compare ten percent (10%) of jackpot/hopper fill slips to signature cards for proper signatures one day each month;

9. compare the weigh tape to the system-generated weigh, as recorded in the slot statistical report, in total for at least one drop period per month. Resolve discrepancies prior to generation/distribution of slot reports to management;

10. review the weigh scale tape of one gaming day per quarter to ensure that:

a. all electronic gaming device numbers were properly included;

b. only valid identification numbers were accepted;

c. all errors were followed up and properly documented (if applicable);

d. the weigh scale correctly calculated the dollar value of coins; and

e. all discrepancies are documented and maintained for a minimum of five (5) years;

11. verify the continuing accuracy of the coin-in meter readings as recorded in the slot statistical report at least monthly;

12. compare the *bill-in* meter reading to the currency acceptor drop amount at least monthly. Discrepancies shall be resolved prior to generation/distribution of slot statistical reports to management;

13. maintain a personnel access listing for all computerized slot systems which includes at a minimum:

a. employee name;

b. employee identification number (or equivalent);

and

c. listing of functions employee can perform or equivalent means of identifying same;

14. review Sensitive Key Logs. Investigate and document any omissions and any instances in which these

keys are not signed out and signed in by the same individual, on a monthly basis;

15. review exceptions, jackpot overrides, and verification reports for all computerized slot systems, including tokens, coins and currency acceptors, on a daily basis for propriety of transactions and unusual occurrences. These exception reports shall include the following:

a. cash variance which compares actual cash to metered cash by machine, by denomination and in total;

b. drop comparison which compares the drop meter to weigh scale by machine, by denomination and in total;

U. Slot Department Requirements

1. The slot booths, change banks, and change banks incorporated in beverage bars (bar banks) shall be counted down and reconciled each shift utilizing appropriate accountability documentation.

2. The wrapping of loose slot booth and cashier cage coin shall be performed at a time or location that does not interfere with the hard count/wrap process or the accountability of that process.

3. A record shall be maintained evidencing the transfers of unwrapped coin.

4. Slot booth, change bank, and bar bank token and chip storage cabinets/drawers shall be constructed to provide maximum security of the chips and tokens.

5. Each station shall have a separate lock and shall be keyed differently.

6. Slot booth, change bank, and bar bank cabinet/drawer keys shall be maintained by the supervisor and issued to the Change employee assigned to sell chips and tokens. Issuance of these keys shall be evidenced by a key log, which shall be signed by the Change employee to whom the key is issued. All slot booth, change bank, and bar bank keys shall be returned to the supervisor at the end of each shift. The return of these keys shall be evidenced on the key log, which shall be signed by the Change employee to whom the key was previously issued. The key log shall include:

a. the Change employee's employee number and signature;

b. the date and time the key is signed out; and

c. the date and time the key is returned.

7. At the end of each shift, the outgoing and incoming Change employee shall count the bank. The outgoing employee shall fill out a Count Sheet, which shall include opening and closing inventories listing all currency, coin, tokens, chips and other supporting documentation. The Count Sheet shall be signed by both employees once total closing inventory is agreed to the total opening inventory.

8. In the event there is no incoming Change employee, the supervisor shall count and verify the closing inventory of the slot booth/change bank/bar bank.

9. Increases and decreases to the Slot booths, change banks, and bar banks shall be supported by written documentation signed by the cage cashier and the slot booth/change bank/bar bank employee.

10. The Slot Department shall maintain documentation of system related problems (i.e. system failures, extreme values for no apparent reason, problem with data collection units, etc.) and note follow-up procedures performed. Documentation shall include at a minimum:

a. date the problem was identified;

b. description of the problem;

c. name and position of person who identified the problem;

d. name and position of person(s) performing the follow up;

e. date the problem was corrected; and

f. how the problem was corrected.

11. The Slot Department shall investigate all meter variances received from Accounting. Copies of these results shall be retained by the accounting department.

V. Progressive Slot Machines

1. Individual Progressive Slot Machine Controls.

a. Individual slot machines shall have seven meters, including a Coin-in meter, drop meter, jackpot meter, win meter, manual jackpot meter, progressive manual jackpot meter and a progressive meter.

2. Link Progressive Slot Machine Controls

a. Each machine in the link group shall be the same denomination and have the same probability of hitting the combination that will award the progressive jackpot as every other machine in the group.

b. Each machine shall require the same number of tokens be inserted to entitle the player to a chance at winning the progressive jackpot and every token shall increment the meter by the same rate of progression as every other machine in the group.

c. When a progressive jackpot is hit on a machine in the group, all other machines shall be locked out, except if an individual progressive meter unit is visible from the front of the machine. In that case, the progressive control unit shall lock out only the machine in the progressive link that hit the jackpot. All other progressive meters shall show the current *current progressive jackpot amount*.

3. The Casino Operator or Casino Manager shall submit to the Division detailed internal control procedures relative to progressive slot machines that incorporate the following, at a minimum:

a. defined jackpots that are to be paid by the casino and those paid from contributions to the multi-link vendor;

b. a schedule for the remittance of location contributions to the multi-link vendor;

c. a defined time period for receipt of contribution reports from the multi-link vendor;

d. contribution reports shall specifically identify the total amount of the Casino Operator or Casino Manager's contributions that can be deducted from the gross drop reported to the Division for progressive jackpot(s) that are hit during the reporting period. The Casino Operator or Casino Manager's contributions shall not be reported to the Division upon payout. Casino Operators or Casino Managers shall take their deductions, which are specified on the primary and secondary contribution reports from the manufacturer, on the fifteenth (15th) of every month for the previous month's jackpots;

e. detailed jackpot payout procedures for all types of jackpots;

f. service and maintenance parameters as set forth in contractual agreements between the Casino Operator or Casino Manager and the multi-link vendor.

W. Training

1. All personnel responsible for Slot Machine operation and related computer functions shall be adequately

trained in a manner approved by the Division, before they shall be allowed to perform maintenance or computerized functions.

2. The training shall be documented by requiring personnel to sign a roster during the training session(s).

3. The Casino Operator or Casino Manager shall have a designated instructor responsible for training additional personnel. The designated instructor shall meet the following requirements:

a. shall be a full-time employee of the Casino Operator or Casino Manager; and

b. shall be certified as an instructor by the manufacturer and/or its representative.

4. The Casino Operator or Casino Manager shall have a continuing obligation to secure additional training whenever necessary to ensure that all new employees receive adequate training before they are allowed to conduct maintenance or computerized functions.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2724. Reserved.

§2725. Internal Controls; Poker

A. Supervision shall be provided during all poker games by personnel with authority equal to or greater than those employees conducting the games.

B. Poker area transfers between table banks and the poker bank or casino cage must be authorized by a gaming supervisor and evidenced by the use of a lammer button or other means approved by the Division. Such transfers shall be verified by the poker area dealer and the runner. A lammer is not required if the exchange of chips, tokens, and/or currency takes place at the table.

C. The amount of the main poker area bank shall be counted, recorded and reconciled on a shift basis by two gaming supervisors or two cashiers who shall attest to the amount counted by signing the check-out form.

D. At least once per gaming day the table banks shall be counted by a dealer and a gaming supervisor or two gaming supervisors and shall be attested to by signatures of those two employees on the check-out form. The count shall be recorded and reconciled at least once per day.

E. The procedure for the collection of poker drop boxes and the count of the contents thereof shall comply with the internal control standards applicable to the table game drop boxes.

F. Playing cards, both used and unused, shall be maintained in a secure location to prevent unauthorized access and reduce the possibility of tampering.

G. Any computer application(s) that provide internal controls comparable to that contained in this Section may be acceptable upon Division Approval.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2729. Internal Controls; Cage, Vault and Credit

A. The Casino Operator or Casino Manager shall have a main bank which will serve as the financial consolidation of transactions relating to all gaming activity. Individuals accessing casino cages who are not employees assigned to cage areas shall sign a log maintained in each of these areas. The log shall include the following:

1. name of each person entering the cage;
2. reason each person entered the cage;
3. date and time each person enters and exits the cage;
4. date, time and type of any equipment malfunction in the cage; and
5. a description of any unusual events occurring in the cage.

B. All transactions that flow through the casino cage shall be summarized on a cage accountability form on a per shift basis and signed by the off-going and on-coming cashier. Variances of fifty dollars (\$50.00) or greater shall be investigated and the results maintained for five (5) years.

C. Increases and decreases to the cage inventory shall be supported by written documentation.

D. Open cage windows and vault including the coin room inventories shall be counted by outgoing and incoming cashiers and recorded at the end of each shift during which any activity took place, or at least once per gaming day. This documentation shall be signed by each person who counted the inventory. In the event there is a variance which cannot be resolved, a supervisor shall verify/sign the documentation.

E. All net changes in outstanding casino receivables shall be summarized on a cage accountability form or similar document on a daily basis.

F. Such information shall be summarized and posted to the accounting records at least monthly.

G. All cage paperwork shall be transported to accounting by an employee independent of the cage.

H. All cashier tips shall be placed in a transparent locked box located inside the cage and shall not be commingled with cage inventory.

I. A Casino Operator or Casino Manager shall be permitted to issue credit in its gaming operation.

J. Prior to the issuance of gaming credit to a player, the employee extending the credit shall determine if credit is available by entering the patron's name or account number into the computer. A password shall be used to access such information. Once availability is established, credit shall be extended only to the balance. If a manual system is used, the employee extending the credit shall, prior to the issuance of gaming credit to a player, contact the cashier or other independent source to determine if the player's credit limit has been properly established and remaining credit available is sufficient for the advance.

K. Proper authorization of credit extension in excess of the previously established limit shall be documented.

L. The Casino Operator or Casino Manager shall document, prior to extending credit, that it:

1. received information from a bona fide credit-reporting agency that the patron has an established credit history that is not entirely derogatory; or
2. received information from a legal business that has extended credit to the patron that the patron has an established credit history that is not entirely derogatory; or

3. received information from a financial institution at which the patron maintains an account that the patron has an established credit history that is not entirely derogatory; or

4. examined records of its previous credit transactions with the patron showing that the patron has paid substantially all of his credit instruments and otherwise documents that it has a reasonable basis for placing the amount or sum placed at the patron's disposal; or

5. informed by another Casino Operator or Casino Manager that extended gaming credit to the patron that the patron has previously paid substantially all of the debt to the other Casino Operator or Casino Manager and the Casino Operator or Casino Manager otherwise documents that it has a reasonable basis for placing the amount or sum placed at the patron's disposal; or

6. if no credit information is available from any of the sources listed in Paragraphs 1-5 for a patron who is not a resident of the United States, the Casino Operator or Casino Manager shall receive in writing, information from an agent or employee of the Casino Operator or Casino Manager who has personal knowledge of the patron's credit reputation or financial resources that there is a reasonable basis for extending credit in the amount or sum placed at the patron's disposal;

7. In the case of personal checks, examine and record the patron's valid driver's license or, if a driver's license cannot be obtained, some other document normally acceptable as a means of identification when cashing checks, and document one of the credit checks set forth in Paragraphs 1-6.

M. In the case of third party checks for which cash, chips, or tokens have been issued to the patron or which were accepted in payment of another credit instrument, the Casino Operator or Casino Manager shall examine and record the patron's valid driver's license, or if a driver's license cannot be obtained, some other document normally acceptable as a means of identification when cashing checks and, for the check's maker or drawer, perform and document one of the credit procedures set forth in Subsection L.

N. The following information shall be recorded for patrons who will have credit limits or are issued credit in an amount greater than \$1,000 excluding, cashier's checks and traveler's checks:

1. patron's name, current address, and signature;
2. identification verifications, including social security number or passport number if patron is a nonresident alien;
3. authorized credit limit;
4. documentation of authorization by an individual designated by management to approve credit limits;
5. credit issuances and payments.

O. Prior to extending credit, the patron's credit application, and/or other documentation shall be examined to determine the following:

1. properly authorized credit limit;
2. whether remaining credit is sufficient to cover the advance;
3. identity of the patron;
4. credit extensions over a specified dollar amount shall be authorized by personnel designated by management;
5. proper authorization of credit extension over ten (10%) percent of the previously established limit or \$1,000, whichever is greater shall be documented;

6. if cage credit is extended to a single patron in an amount exceeding \$2,500, applicable gaming personnel shall be notified on a timely basis of the patrons playing on cage credit, the applicable amount of credit issued, and the available balance.

P. The following information shall be maintained either manually or in the computer system for cage-issued markers:

1. the signature or initials of the individual(s) approving the extension of credit (unless such information is contained elsewhere for each issuance);
2. the name of the individual receiving the credit;
3. the date and shift granting the credit;
4. the amount of credit issued;
5. the marker number;
6. the amount of credit remaining after each issuance or the total credit available for all issuances;
7. the amount of payment received and nature of settlement (e.g., credit slip number, cash, chips, etc.); and
8. the signature or initials of the individual receiving payment/settlement.

Q. The marker slip shall, at a minimum, be in triplicate form, pre-numbered by the printer, and utilized in numerical sequence whether marker forms are manual or computer-generated. Manual markers may be issued in numerical sequence by location. The three parts shall be utilized as follows:

1. original - maintained in the cage until settled;
2. payment slip - maintained until the marker is paid;
3. issue slip - maintained in the cage, until forwarded to accounting.

R. The original marker shall contain at least the following information:

1. patron's name and signature;
2. preprinted number;
3. date of issuance; and
4. amount of credit issued.

S. The issue slip or stub shall include the same preprinted number as the original, date and time of issuance, and amount of credit issued. The issue slip or stub also shall include the signature of the individual issuing the credit, unless this information is included on another document verifying the issued marker.

T. The payment slip shall include the same preprinted number as the original. When the marker is paid in full, it shall also include, date and time of payment, nature of settlement (cash, chips, etc.) and amount of payment. The payment slip shall also include the signature of the cashier receiving the payment, unless this information is included on another document verifying the payment of the marker.

U. Marker log documentation shall be maintained by numerical sequence, indicating marker number, name of patron, date marker issued, date paid, method of payment (if combination, i.e. chips/cash, amount paid by each method), and amount of credit remaining. This marker log documentation shall also be maintained by patron name in alphabetic sequence in order to determine that credit was not extended beyond thirty (30) days.

V. Markers (computer-generated and manual) that are voided shall be clearly marked *Void* across the face of all copies. The cashier and supervisor shall print their employee numbers and sign their names on the voided marker. The supervisor who approves the void shall print or stamp the

date and time the void is approved. A brief statement of why the void was necessary shall be written on the face of all copies. All copies of the voided marker shall be forwarded to accounting for accountability and retention on a daily basis.

W. All portions of markers, both issued and unissued, shall be safeguarded and procedures shall be employed to control the distribution, use and access to the forms.

X. An investigation shall be performed, by the accounting department, immediately following its notice of missing forms or any part thereof, to determine the cause and responsibility for loss whenever marker credit slips, or any part thereof, are missing, and the result of the investigation shall be documented, by the accounting department. The Division shall be notified in writing of the loss, disappearance or failure to account for marker forms within ten (10) days of such occurrence.

Y. All payments received on outstanding credit instruments shall be permanently recorded on the Casino Operator or Casino Manager's records.

Z. When partial payments are made on a marker, a new marker shall be completed reflecting the original date, remaining balance, and number of the originally issued marker.

AA. Personal checks or cashier's checks shall be cashed at the cage cashier and subjected to the following procedures:

1. examine and record at least one item of patron identification such as a driver's license, etc;

BB. When travelers checks are presented:

1. the cashier must comply with examination and documentation procedures as required by the issuer;

2. checks in excess of \$100 shall not be cashed unless the requirements of §2729.BB of these Regulations are met.

CC. The routing procedures for payments by mail require that they shall be received by a department independent of credit instrument custody and collection.

DD. Receipts by mail shall be documented on a listing indicating the following:

1. customer's name;
2. amount of payment;
3. type of payment if other than a check;
4. date payment received; and
5. the total amount of the listing of mail receipts shall

be reconciled with the total mail receipts recorded on the appropriate accountability by the accounting department on a random basis for at least three days per month.

EE. Access to the credit information shall be restricted to those positions which require access and are so authorized by management. This access shall be noted in the appropriate job descriptions pursuant to §2715.B.2 of these Regulations.

FF. Access to outstanding credit instruments shall be restricted to persons authorized by management and shall be noted in the appropriate job descriptions pursuant to §2715.B.2 of these Regulations.

GG. Access to written-off credit instruments shall further be restricted to individuals specified by management and shall be noted in the appropriate job descriptions pursuant to §2715.B.2 of these Regulations.

HH. All extensions of pit credit transferred to the cage and subsequent payments shall be documented on a credit instrument control form.

II. Records of all correspondence, transfers to and from outside agencies, and other documents related to issued credit instruments shall be maintained.

JJ. Written-off credit instruments shall be authorized in writing. Such authorizations are made by at least two management officials which must be from a department independent of the credit transaction.

KK. If outstanding credit instruments are transferred to outside offices, collection agencies or other collection representatives, a copy of the credit instrument and a receipt from the collection representative shall be obtained and maintained until such time as the credit instrument is returned or payment is received. A detailed listing shall be maintained to document all outstanding credit instruments which have been transferred to other offices. The listing shall be prepared or reviewed by an individual independent of credit transactions and collections thereon.

LL. The receipt or disbursement of front money or a customer cash deposit shall be evidenced by at least a two-part document with one copy going to the customer and one copy remaining in the cage file.

1. The multi-part form shall contain the following information:

- a. same preprinted number on all copies;
- b. customer's name and signature;
- c. date of receipt and disbursement;
- d. dollar amount of deposit;
- e. type of deposit (cash, check, chips).

2. Procedures shall be established to:

a. maintain a detailed record by patron name and date of all funds on deposit;

b. maintain a current balance of all customer cash deposits which are in the cage/vault inventory or accountability;

c. reconcile this current balance with the deposits and withdrawals at least daily.

MM. The trial balance of casino accounts receivable shall be reconciled to the general ledger at least quarterly.

NN. An employee independent of the cage, credit, and collection functions shall perform all of the following at least three (3) times per year:

1. ascertain compliance with credit limits and other established credit issuance procedures;

2. randomly reconcile outstanding balances of both active and inactive accounts on the listing to individual credit records and physical instruments;

3. examine credit records to determine that appropriate collection efforts are being made and payments are being properly recorded;

4. for a minimum of five (5) days per month partial payment receipts shall be subsequently reconciled to the total payments recorded by the cage for the day.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2730. Exchange of Tokens and Chips

A. The Casino Operator or Casino Manager may exchange a patron's tokens and chips issued by another

Casino Operator or Casino Manager only for its own tokens and chips. A Casino Operator or Casino Manager shall not exchange tokens and chips issued by another Casino Operator or Casino Manager for cash. A Casino Operator or Casino Manager shall document the exchange in a manner approved by the Division.

B. The exchange shall occur at a Casino cage designated by the Casino Operator or Casino Manager in its internal controls and approved by the Division.

C. The total dollar value of the chips or tokens submitted by a patron for exchange shall equal the total dollar value of the tokens or chips issued by the Casino Operator or Casino Manager to the patron. Tokens and chips shall not be exchanged for a discount or a premium.

D. All tokens and chips received by a Casino Operator or Casino Manager as a result of an exchange authorized by this Section shall be returned to the issuing Casino Operator or Casino Manager for redemption within thirty (30) days of the date the tokens or chips were received as part of an exchange unless the Division approves otherwise in writing. Both the issuing and receiving Casino Operator or Casino Manager shall document the redemption in a manner approved by the Division.

E. A Casino Operator or Casino Manager shall not accept tokens or chips issued by another Casino Operator or Casino Manager in any manner other than authorized in this Section. A Casino Operator or Casino Manager shall not knowingly accept as a wager any token or chip issued by another Casino Operator or Casino Manager.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2731. Currency Transaction Reporting

A. Casino Operator or Casino Manager shall be responsible for proper reporting of certain monetary transaction to the federal government as required by the Bank Records & Foreign Transactions Act (Public Law 91-508), commonly referred to as the *Bank Secrecy Act* as codified in Title 31 Section 5311 through 5323, and Title 12 Sections 1730 d, 1829, and 1951 through 1959. Specific requirements concerning record keeping and reports are delineated in title 31 CFR 103 and shall be followed in their entirety. The *Bank Secrecy Act* and the rules and regulations promulgated by the federal government pursuant to the *Bank Secrecy Act* as they may be amended from time to time, are adopted by reference and are to be considered incorporated herein.

B. Civil and/or criminal penalties may be assessed by the Federal Government for willful violations of the reporting requirements of the Bank Secrecy Act. These penalties may be assessed against the Casino Operator or Casino Manager, as well as any director, partner, official or employee that participated in the above referenced violations.

C. All employees of the Casino Operator or Casino manager shall be prohibited from providing any information or assistance to patrons in an effort to aid the patron in circumventing any, and all currency transaction reporting requirements.

D. Casino Operator or Casino Manager employees shall be responsible for preventing a patron from circumventing the currency transaction reporting requirements if the employee has knowledge or through reasonable diligence in performing their duties should have knowledge of the patron's efforts at circumvention.

E. For each required Currency Transaction Report, a clear surveillance photograph of the patron shall be taken and attached to the Casino Operator or Casino Manager's copy of the Currency Transaction Report. The employee consummating the transaction shall be responsible for contacting the surveillance department employee. If a clear photograph cannot be taken at the time of the transaction, a file photograph, if available, of the patron may be used to supplement the required photograph taken. The Casino Operator or Casino Manager shall maintain and make available for inspection all copies of Currency Transaction Reports, with the attached photographs, for a period of five (5) years.

F. One (1) legible copy of all Currency Transaction Reports for Casinos filed with the Internal Revenue Service shall be forwarded to the Division's Audit Section by the fifteenth (15th) day after the date of the transaction.

G. The Casino Operator or Casino Manager shall be responsible for maintaining a single log which aggregates all transactions in excess of \$2,500 from the various multiple transaction log as follows.

1. All cash transactions in excess of \$2,500 shall be recorded on a multiple transaction log for aggregation of the multiple transactions and signed by the employee handling the transaction. Records of the aforementioned transactions must be aggregated on the single log required by this Section.

2. Any multiple transaction log which reflects no activity shall be signed by the supervisor.

3. The employee handling the transaction shall be responsible for accurate and complete log entries. No log entry shall be omitted. Each log entry shall include the date and time, the amount of the transaction, the location of the transaction, the type of transaction, and the name and physical description of the patron.

4. Once any patron's cash activity has exceeded \$2,500, any and all additional cash activity shall be logged regardless of the amount or location.

5. Personnel of the pit and cage shall coordinate their efforts to reasonably ensure all cash transactions in excess of \$2,500 are properly logged and aggregated.

6. Personnel of the pit and cage shall coordinate their efforts to reasonably ensure any required Currency Transaction Reports are properly completed.

7. As the \$10,000 amount is about to be exceeded, the employee consummating the transaction shall be responsible for obtaining and verifying the patron's identification prior to completing the transaction.

8. All multiple transaction logs shall be turned in to the cage for submittal to the accounting department daily.

H. The information required to be gathered by this Section shall be obtained from the individual on whose behalf the transaction is conducted, if other than the patron.

I. If a patron is unable or unwilling to provide any of the information required for currency transaction reporting, the

transaction shall be terminated until such time that the required information is provided.

J. A transaction shall not be completed if it is known that the patron is seeking to avoid compliance with currency transaction requirements.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2735. Gross Gaming Revenue Computations

A. For each table game, Gross Gaming Revenue shall equal the soft count drop (cash and credit), plus or minus the change in table inventory, plus or minus the chip float adjustment. The change in table inventory shall be equal to the beginning table inventory, plus chip fills to the table, less credits from the table, less ending table inventory. The first step in the calculation of the chip float adjustment shall be the daily chip float calculation which shall be the total chips received to date (i.e., the initial chips received from vendors plus all subsequent shipments of chips received) less the total day's chip count (i.e., the sum of chips in the vault, cage drawers, tables, change lockers and all other locations). The daily ending inventory chip count shall at no time exceed the total amount of chips in the total casino chip accountability. If at any time the calculated daily chip float is less than zero, the Casino Operator or Casino Manager shall adjust to reflect a zero current day chip float. Afterwards, the chip float adjustment shall be calculated daily by subtracting the previous day's chip from the current day's chip float.

B. For each slot machine, Gross Gaming Revenue shall equal drops less fills to the machine and jackpot payouts, plus or minus the token float adjustment. The first step in the calculation of the token float adjustment shall be the daily token float calculation which shall be the total tokens received to date (i.e., the initial tokens received from vendors plus all subsequent shipments of tokens received) less the total day's token count (i.e., tokens in the hard count room plus tokens in the vault, cage drawers, change lockers, tokens in other locations and initial tokens in hoppers). The daily ending inventory token count shall at no time exceed the total amount of tokens in the total casino token accountability. Foreign tokens and slugs do not constitute a part of token inventory. If at any time the calculated daily token float is less than zero, the Casino Operator or Casino Manager shall adjust to reflect a zero current day token float. The initial hopper load is not a fill and does not affect gross revenue. Since actual hopper token counts from all machines are not feasible, estimates of the token float adjustment shall be done daily based on the assumption that the hoppers will maintain the same balance as the initial hopper fill. Once a year, a statistical sample of the hoppers will be inventoried for the purpose of calculating the token float. This should be performed during the annual audit so that the external auditors can observe the test performance results. Therefore, once per year, the token float adjustment shall be based upon a physical count of tokens.

C. For each card game and any other game in which the Gross Gaming Revenue is not a party to a wager, Gross Gaming Revenue shall equal all money received by the Casino Operator or Casino Manager as compensation for

conducting the game, including time buy-ins. A time buy-in is a fixed amount of money charged for the right to participate in certain games for a period of time.

D. If in any day the amount of net gaming proceeds is less than zero, the Casino Operator or Casino Manager may deduct the excess in the succeeding days, until the loss is fully offset against net gaming proceeds.

E. Slot Machine meter readings from the drop process shall not be utilized to calculate Gross Gaming Revenue, unless otherwise approved by the Division.

F. The value of chips or tokens issued to a Patron upon extension of credit, the receipt of a check or other instrument or via a complimentary distribution program shall be included in the computation of Gross Gaming Revenue, subject to §2736 A. of these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2736. Treatment of Credit for Computing Gross Gaming Revenue

A. Gross Gaming Revenue shall not include credit extended or collected by the Casino Operator or Casino Manager for purposes other than gaming. Gross Gaming Revenue shall include the amount of gaming credit extended to a Patron when wagered, subject to a deduction for credit instruments and checks which are uncollectable subject to an annual cap of uncollected credit instruments and checks of four percent (4%) of the total receipts of the Casino Operator from gaming operations, including all cash, checks, property and credit extended to a Patron for purposes of gaming in a fiscal year.

B. The Casino Operator or Casino Manager shall include in Gross Gaming Revenue all or any portion of an unpaid balance on any credit instrument if the original credit instrument or a substituted credit instrument is not available to support the outstanding balance.

C. The Casino Operator or Casino Manager shall include in Gross Gaming Revenue the unpaid balance of a credit instrument even if the Casino Operator or Casino Manager eventually settles the debt for less than its full amount. The settlement shall be authorized by a person designated to do so in the Casino Operator or Casino Manager's system of internal control, and a settlement agreement shall be prepared within ten (10) days of the settlement and the agreement shall include:

1. the Patron's name;
2. the original amount of the credit instrument;
3. the amount of the settlement stated in words;
4. the date of the agreement;
5. the reason for the settlement;
6. the signatures of the Casino Operator or Casino Manager's employees who authorized the settlement; and
7. the Patron's signature or in cases which the Patron's signature is not on the settlement agreement, documentation which supports the Casino Operator or Casino Manager's attempt to obtain the Patron's signature.

D. The Casino Operator or Casino Manager shall include in Gross Gaming Revenue all money, and the net fair market value of property or services received by the Casino

Operator or Casino Manager in payment of credit instruments unless the full dollar amount of the credit instrument was previously included in the calculation of Gross Gaming Revenue.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2737. Reserved.

§2739. Extension of Time for Reporting

A. The Division in its sole and absolute discretion, may extend the time for filing any report or document required by this Chapter.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2741. Petitions for Redetermination; Procedures

A. The Casino Operator or Casino Manager filing a petition for redetermination with the Board shall serve a copy of the petition on the Division.

B. The Casino Operator or Casino Manager shall, within thirty (30) days after the petition is filed:

1. pay all fees, penalties, or interest not disputed in the petition and submit a schedule to the Division that contains its calculation of the interest due on non-disputed assessments;

2. file with the Board a memorandum of points and authorities in support of a redetermination, and serve a copy of the memorandum on the Division;

3. file with the Board a certification that it has complied with the requirements of Paragraphs 1 and 2.

C. The Division shall, within thirty (30) days after service of the Casino Operator or Casino Manager's memorandum, file a memorandum of points and authorities in opposition to the Casino Operator or Casino Manager's petition and shall serve a copy on the Casino Operator or Casino Manager. The Casino Operator or Casino Manager may, within fifteen (15) days after service of the Division's memorandum, file a reply memorandum.

D. The Division and the Casino Operator or Casino Manager may stipulate to extend the time periods specified in this Section if their stipulation to that effect is filed with the Board before the expiration of the pertinent time period. The Board chairman may extend the time periods specified in this Section upon motion and for good cause shown.

E. The Board may, at its discretion, deny a petition for determination if the Casino Operator or Casino Manager fails to comply with the requirements of this Section.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2743. Claims for Refunds; Procedures

A. The Casino Operator or Casino Manager filing a claim for refund with the Board shall serve a copy of the claim on the Division.

B. The Casino Operator or Casino Manager shall, within thirty (30) days after the claim is filed, file with the Board a memorandum of points and authorities in support of the claim, setting forth the legal basis and the Casino Operator or Casino Manager's calculations of the amount of the refund and any interest due thereon, and serve a copy of the memorandum on the Division, and file with the Board a certification that it has complied with the requirements of this Subsection.

C. The Division shall, within thirty (30) days after service of the Casino Operator or Casino Manager's memorandum, file a memorandum of points and authorities in opposition to the Casino Operator or Casino Manager's claim and shall serve a copy on the Casino Operator or Casino Manager. The Casino Operator or Casino Manager may, within fifteen (15) days after service of the Division's memorandum, file a reply memorandum.

D. The Division and the Casino Operator or Casino Manager may stipulate to extend the time periods specified in this Section if their stipulation to that effect is filed with the Board before the expiration of the pertinent time period. The Board chairman may extend the time periods specified in this Section upon motion and for good cause shown.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Riverboat Gaming Enforcement Division, LR 21:702 (July 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2744. Reserved.

§2745. Reserved.

§2747. Reserved.

Chapter 29. Operating Standards

§2901. Methods of Operation Generally

A. It is the policy of the Board to require that the Casino, wherein gaming is conducted, be operated in a manner suitable to protect the public health, safety, morals, good order and general welfare of the inhabitants of the State of Louisiana and in a manner that will foster and promote economic development and growth of the tourism industry within the State of Louisiana.

B. Responsibility for the employment and maintenance of suitable methods of operation rests with the Casino Operator, Casino Manager or Permittee, as the case may be, and willful or persistent use or toleration of methods of operation deemed unsuitable is grounds for disciplinary action.

C. The Board may deem any activity on the part of the Casino Operator, Casino Manager, Licensee or Permittee, their agents or employees that is inimical to the public health, safety, morals, good order and general welfare of the people of the State of Louisiana or that would reflect or tend to reflect discredit upon the State of Louisiana or the tourism industry to be an unsuitable method of operation and grounds for disciplinary action.

D. The Casino Operator shall be responsible, in addition to the Casino Manager, for all reporting and Approval obligations imposed upon the Casino Manager by these Regulations or assumed by the Casino Manager in connection with the Casino Management Agreement.

E. Consistent with Section 17.1 of the Casino Operating Contract, the Casino Operator shall deliver updated copies of the scale drawings to the Board as changes are made in the use of any room or enclosed area.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2903. Compliance With Laws

A. Acceptance of a License or Permit or renewal thereof constitutes an agreement on the part of the Licensee or Permittee to be bound by all of the applicable provisions of the Act and the Regulations. It is the responsibility of the Licensee or Permittee to keep informed of the content of all such laws, and ignorance thereof will not excuse violations. Violation of any applicable provision of the Act, the Regulations of the Board or Regulations of the Division by a Licensee or Permittee or by the agent, employee or representative of a Licensee or Permittee is contrary to the public health, safety, morals, good order and general welfare of the inhabitants of the State of Louisiana and constitutes grounds for enforcement action.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2905. Distributions

A. The Division shall receive a written monthly report of the following transactions:

B. The Casino Operator shall submit to the Division a report for each Fiscal quarter reflecting intercompany financial transactions between any Intermediary and Holding Companies, and any subsidiaries thereof. The quarterly report shall set forth any intercompany flow of funds and any intercompany loan(s).

C. Other than repayment of debt that has been Approved by the Board (or that is otherwise deemed Approved by these Regulations) or transactions that are included in the quarterly report required by Subsection A above, the Casino Operator or, if such company is owned by a Holding Company, any Holding Company thereof, shall provide written notice to the Division within five (5) Days of the following transactions:

1. any dividend or other distribution of capital in excess of five percent (5%) of the Casino Operator's Gross Gaming Revenue for the preceding twelve month period;

2. the granting of any loan or any other extension of credit in excess of five percent (5%) of the Casino Operator's Gross Gaming Revenue for the preceding twelve month period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2907. Reporting

A. The Casino Operator and Casino Manager shall provide the Division with a quarterly listing of all gaming vendors and all non-gaming vendors they conduct business

with, subject to the monetary thresholds in §2715(P) of these Regulations on a form prescribed or Approved by the Division.

B. The Casino Operator or Casino Manager shall file a monthly report in writing within ten (10) days following the end of each month regarding certain recommendations or solicitations to purchase goods or services. The Casino Operator or Casino Manager must include any recommendation or solicitation in the report when:

1. the recommendation or solicitation is to purchase goods or services, either directly or indirectly, from a particular vendor which:

a. exceeds \$5,000; or

b. exceeds \$10,000, when cumulated with other recommendation or solicitations made during a calendar year, to purchase from the same vendor; and

2. the recommendation or solicitation is made by or is received from, either directly or indirectly, a person or entity not employed by the vendor for the principal purpose of soliciting or recommending such purchase from the vendor in the ordinary course of business.

C. Any indirect solicitation or recommendation occurs when the Casino Operator or Casino Manager has reasonable grounds to believe that the goods or services to be provided by a particular vendor will actually be provided to that vendor by another vendor, or when a particular person solicits or recommends on behalf of a disclosed or undisclosed third person. The written report shall provide:

1. the name of the persons or entity making such recommendation or solicitation, and if known, the address and telephone number;

2. the vendor on whose behalf the recommendation or solicitation is made, and if known, the address and telephone number;

3. the name of the person soliciting or recommending on behalf of a third person, the name of the third person and if known, the address and telephone number of both.

D. The Casino Operator or Casino Manager shall also report any recommendation or solicitation received by the Casino Operator or Casino Manager under circumstances in which a reasonable person would perceive there to be pressure or intimidation of any kind, or other conduct not customary in an ordinary business transaction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2909. Prohibited Transactions

A. The Casino Operator and Casino Manager shall not conduct business with any vendors required to be Permitted, by the Act or these Regulations, that does not possess a valid Permit. The Casino Operator or Casino Manager shall not conduct business with any Non - Gaming Vendor who has been placed on a restricted vendor list or otherwise failed to timely comply with all applicable provisions of these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2911. Finder's Fees

A. It is an unsuitable method of operation or practice for any Licensee, Permittee, registered company or Applicant

for Licensing or registration to pay a Finder's Fee without the prior Approval of the Chairman. An Application for Approval of payment of a Finder's Fee shall make a full disclosure of all material facts. The Division may Disapprove any such Application if the Person to whom the Finder's Fee is proposed to be paid does not demonstrate that he is suitable to hold a State Gaming License.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2913. Hotel Contract Approval

A. Hotel Restrictions. To the extent prohibited by State law, the Casino Operator or Casino Manager shall not:

1. offer lodging at the Casino;
2. engage in any practice or enter into any business relationship to give any hotel or lodging facility, whether or not affiliated with the Casino Operator or Casino Manager, any advantage or preference not available to all similarly situated hotels or lodging facility; or
3. enter into any contract or agreement with any hotel or lodging facility that has not been Approved by the Gaming Board.

B. *Similarly Situated* Definition. In considering what a *similarly situated hotel or lodging facilities* shall mean, the Casino Operator or Casino Manager may consider one or more of the following factors, as it deems appropriate, in making a business decision. The Board shall consider the following factors in connection with its Approval of any contract by the Casino Operator or Casino Manager with any hotel or lodging facility:

1. the pricing of the hotel or lodging facility offered to Casino Persons;
2. the proximity of the hotel or lodging facility to the Casino;
3. the services and level of service offered by such facility to Casino Persons;
4. any suites and/or other amenities that may be offered to the Casino Persons in connection with the lodging activities;
5. the availability of rooms over a period of time; and
6. any package deals that may be offered by the hotel or lodging facility to the Casino Operator or Casino Manager.

C. Gaming Board Approval. Upon the submission by the Casino Operator or Casino Manager of any proposed contracts, the Board or its designee shall review any proposed contract and issue its Approval or Disapproval within ten (10) business days of receipt from the Casino Operator or Casino Manager. The failure to Disapprove a contract within ten (10) business days shall be deemed to be an Approval to the Casino Operator or Casino Manager that the proposed contract may be executed, unless the Board or its designee notifies the Casino Operator or Casino Manager in writing within the ten (10) business day period that an additional ten (10) business day period is necessary to review the contract. Any Disapproval shall be in writing and state the reasons for Disapproval.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2914. Permissible Food Service

A. The Casino Operator may offer the following food services at the Casino:

1. Employee Cafeteria. The Casino Operator may provide cafeteria style food services for the employees of the Casino with seating, provided that the cafeteria is not accessible to the general public and is limited to the employees of the Casino Operator and Casino Manager.

2. Buffet Cafeteria. The Casino Operator may offer a cafeteria-buffet style food service for patrons at the Casino provided that no food shall be given away or subsidized at this facility.

3. Local Food Concessions. The Casino Operator may enter into one or more contracts with local restaurant owners or food preparers that provide for such food preparers to offer for sale at the Official Gaming Establishment food prepared and offered at their restaurants, at kiosk concession areas, cart locations, food court areas or such other food service areas as Approved by the Board. For purposes of this section, *local restaurant owners and food preparers* shall mean any restaurant or food preparer that is located in New Orleans or within the state of Louisiana. The term *food prepared and offered at their restaurant* shall mean food cuisine that is normally associated with the restaurant owner or food preparers respective restaurant or commissary. In connection with any such concession, the food preparer:

- a. shall clearly identify the restaurant or food preparer providing the food;
- b. may only offer food in areas designated for such use;

4. Seating Limitation. The food services area for the buffet cafeteria or local food concession, pursuant to Subsections 2 and 3 above, shall not provide seating for more than two-hundred and fifty persons.

5. Premium Player Food Services. The Casino Operator may enter into one or more contracts with local restaurants or food preparers that provide for such food preparers to prepare hors d'oeuvres to be paid for by the Casino Operator and to be served by the Casino Operator solely to premium players at \$100 minimum bet tables or in any designated VIP food service area.

6. Special Events and Targeted Convention Markets. The Casino Operator may enter into one or more contracts with local restaurants or food preparers or prepare food for special events marketing and targeted conventions that would have a gaming profile that matches the Casino Operator's target market, with such food paid for by the Casino Operator. For the purposes of this Section, *special events* means events at which a targeted group of customers are invited to the Casino including, without limitation, gaming tournaments, golf tournaments, boxing events, entertainment extravaganzas, fishing trips, holiday functions, and theme parties (to be held at various restaurants, hotels, theaters, plantations, antique ships, art galleries, steamboat and Casino ballroom).

B. Nothing herein shall prevent Casino Operator from leasing convention or ballroom space to third parties provided that the Casino Operator does not prepare food for such events. The lessee, however, may purchase food for such events from local restaurants or food preparers.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2915. Capital Replacement Fund Requirements

A. The Casino Operator shall establish a capital replacement account to be funded in the manner mandated by Section 9.5(d) of the Casino Operating Contract. In the event the Contract upon which the funding requirements are established expires or terminates, the Casino Operator shall fund the capital replacement account as ordered by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2917. Nondiscrimination and Minority Participation

A. The Casino Operator and the Casino Manager shall adopt written policies, procedures, and regulations to allow the participation of businesses owned by minorities in all such design, engineering, construction, banking and maintenance contracts and any other projects initiated by the Casino Operator or Casino Manager. The written policies, procedures and regulations shall provide for the inclusion of businesses owned by minorities to the maximum extent practicable, consistent with applicable law.

B. All businesses or vendors selected by the Casino Operator or the Casino Manager for any purpose shall strictly adhere to the nondiscrimination policies and practices embodied in applicable federal, state, and local law.

C. The Casino Operator and the Casino Manager shall, as nearly as practicable, employ minorities at least consistent with the population of the state and consistent with applicable law.

D. No employee shall be denied the equal protection of the law. No regulation or policy shall discriminate against an employee because of race, religious ideas, beliefs or affiliations. No regulation or policy shall arbitrarily, capriciously or unreasonably discriminate against an employee because of age, sex, culture, physical condition, political ideas or affiliations.

E. In furtherance of the mandate set forth in the preceding four paragraphs, the Board shall monitor the Casino Operator and Casino Manager's hiring and contracting practices and exercise enforcement authority, as described below:

1. The Casino Manager and Casino Operator shall file with the Board copies of all reports that it files with the City of New Orleans pursuant to any Program or Plan undertaken within five (5) days of submission to the City of New Orleans. Should the Casino Operator no longer be required to submit the above reports to the City, the information contained in those reports will still be required by the Board in a format determined by the Board.

2. Any additional information or record the Board requires to assist in determining compliance.

3. Notice of Concern - In the event that the Board believes that the reports described above provide information that the Casino Operator's or Casino Manager's employment practices are not in compliance with the Act, the Chairman shall issue a Notice of Concern to the Casino Operator and Casino Manager prior to taking formal action against the Casino Operator or Casino Manager.

a. The Notice of Concern shall describe the alleged area of non-compliance and shall schedule a meeting with the Casino Operator and Casino Manager within ten (10) days of the notice, unless the Chairman agrees to a longer period of time, for the purpose of discussing the matter.

b. At the meeting the Casino Operator and Casino Manager shall present any information that it believes is relevant to the issue(s) raised in the Notice of Concern.

c. If the Chairman does not receive information to his satisfaction concerning the alleged areas of non-compliance he may either:

i. take the matter directly to the Board;

ii. inform the Casino Operator and Casino Manager of the steps deemed necessary to bring the Casino Operator and Casino Manager into compliance with the Act and any timetables for pursuing such action; or

iii. take other action he deems appropriate including but not limited to civil penalties and the imposition of a plan that in the discretion of the Board meets the objectives of the Act and these Regulations and is otherwise consistent with the law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2919. Mandatory Signage

A. The Division may establish procedures for the regulation of advertising of Casino Gaming Activities. More specifically the Division may require the Casino Operator to advertise or publish specified information, slogans and telephone numbers relating to avoidance and treatment of compulsive or problem gambling or gaming.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2921. Reserved.

§2923. Reserved.

§2925. Gaming Employees Prohibited From Gaming

A. The holder of a Gaming Employee Permit is prohibited from participating as a player in any Game or Gaming Activity where the Permittee is employed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2927. Assisting in Violations.

A. No employee, agent or representative of the Casino Operator or a Permittee shall intentionally assist another Person in violating any provision of these Regulations or a Casino Operator's Approved accounting, Security, or Gaming procedures. Such assistance shall constitute a violation of these rules. It is incumbent upon an employee, agent or representative of the Casino Operator or Permittee to notify the Board and the Division of any possible violation of any Federal, State or Municipal Law, the Act, the Regulations adopted pursuant to the Act, the Casino Operator's Internal Controls or any order of the Division or the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2929. Action Based Upon Order of Another Jurisdiction

A. The Division may take enforcement action against a Licensee, Permittee or other Person who has been disciplined in another jurisdiction for Gaming related activity

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2933. Weapons in the Casino

A. Weapons as defined in the Louisiana Criminal Code are not permitted in the Casino other than those in the possession of full time commissioned law enforcement officers who are on duty and within their respective jurisdiction and licensed gaming Security personnel which are on duty, or otherwise as Approved by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2934. Detention Ejection

A. In order to effectuate the policies in the Act related to maintaining the integrity of Gaming Operations and protecting the safety of Persons within the Casino, the Casino Operator and Casino Manager and their employees and agents shall at all times cooperate and assist representatives of the Board and the Division in connection with maintaining order and preventing suspected activity threatening the safety or welfare of Patrons or others within the Casino. In addition, the Casino Operator and Casino Manager and their employees and agents shall comply with the following:

1. In the event that there is reasonable cause to believe that a Person at the Casino:
 - a. has violated any provisions of the Act, the Regulations or other criminal laws of the State;
 - b. is subject to exclusion pursuant to Chapter 37 of these Regulations;
 - c. is subject to removal pursuant to Subsection 3 below; or
 - d. is threatening the safety or welfare of any Patron or employee within the Casino, the Casino Operator and its employees and agents may escort such Person to Security Personnel employed by the Casino Operator for questioning and, if necessary, notification and turnover to regulatory or law enforcement authorities including, without limitation, the New Orleans Police Department, representatives of the Gaming Board or the Division.
2. In connection with any questioning of a Person as provided for in Subsection 1 above, the Casino Operator may take such person into custody, make a search (reasonable under the circumstances) of such Person for weapons or suspected contraband of suspected criminal activity, and/or detain such Person within the Casino in a reasonable manner and for a reasonable amount of time, provided however, the Casino Operator shall ensure that there is adequate surveillance coverage of any detention area. A notice shall be provided to a detained person that the area is under surveillance. The Casino Operator may take a photo of any Person detained for questioning under the standards set forth in Subsection 1 above.

3. In the event that there is reasonable cause to believe that a Person attempting to enter the Casino or within the Casino is:

- a. under the age of 21;
- b. visibly intoxicated;
- c. a threat to the safety or welfare of other Persons;
- d. a prostitute or panhandler;
- e. a person who has been detained or ejected from the Casino in the past 24 month period; or
- f. otherwise does not meet any house rules established for entry into the Casino; the Casino Operator and its employees and agents may exclude or remove such Person from the Casino.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2935. Age Restrictions for the Casino

- A. No Persons under the age of twenty-one (21) shall:
1. play or be allowed to play any Game or Gaming Device at the Casino;
 2. loiter or be permitted to loiter in or about any room, premises, or designated area where any Game or Gaming Device is located, operated or conducted at the Casino.
 3. be employed as a Gaming Employee or any operator of any Game or Gaming Device at the Casino; or
 4. serve or be served, consume or be allowed to consume any alcoholic beverage at the Casino.

B. The Casino Operator shall draft and implement policies and procedures designed to satisfy the requirements, including policies and procedures pertaining to documentation relating to proof of age and the examination of such document by a responsible Casino Employee or employees of Security service providers and to provide suitable Security to enforce the policies and procedures. These methods shall be in writing and include, but shall not be limited to posting signs at all entrances to the Casino area declaring that persons under twenty-one years of age are not permitted to loiter in or about the Gaming area. The Casino Operator shall provide copies of all methods implemented in accordance to this Rule to the Division and the Board. The methods implemented by the Casino Operator are subject to Approval by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2937. Check Cashing; Purchase of Tokens, Chips, and Electronic Cards; Prohibitions

- A. No Person holding a gaming Permit and no servant, agent, or employee of the Casino Operator shall cash or accept, in exchange for the purchase of Tokens, chips, or electronic cards:
1. an identifiable employee payroll check.
 2. any document evidencing or stating title to or ownership of, whether unencumbered or encumbered by a privilege, mortgage, or security Interest, any classification of motor vehicle, manufactured home, or immovable property, including any building or dwelling situated therein.
 3. a check that represents a Family Independence Temporary Assistance Program (FITAP), Temporary Assistance for Needy Families (TANF), or supplemental security income payment.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2939. Compulsive or Problem Gamblers' Telephone Information And Referral Service-Posting

A. The Casino Operator shall post one or more signs at points of entry to the Designated Gaming Areas to inform customers of the toll-free telephone number available to provide information and referral services regarding compulsive or problem gambling.

1. The toll-free number is 1-800-Gambler.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2941. Political Contributions

A. Political Contributions by the Casino Operator, Casino Manager, their employees and their affiliated entities are prohibited in accordance with the Act and the Campaign Finance Disclosure Act (La.R.S. 18:1481 et seq) and in particular La.R.S.18:1505.2(L).

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2943. Prohibited Business Relationships with Public Officers

A. The Casino Operator or Casino Manager shall not engage in any business activity with any Person whom the Casino Operator or Casino Manager knows or should know is a public officer as defined by La. R.S. 42:1.

1. Business activity shall specifically include but not be limited to contracts:

- a. for the sale or purchase of goods, merchandise and services;
- b. to provide or receive legal services, advertising, public relations, or any other business or personal service;
- c. for the listing, purchasing, or selling of immovable property or options or real rights relating thereto;
- d. modifying ownership or possessing interests in stocks, bonds, securities or any financial instrument.

2. Business activity shall not include treating a public officer for Gaming purposes, in the same manner as all other Patrons, provided such treatment is consistent with conduct permitted by the Act, the Code of Governmental Ethics and all other applicable law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2945. Restricted Areas

A. Only authorized Persons as provided in Chapter 29 of these Regulations, or in the Casino Operator's Internal Controls as Approved by the Division, may enter restricted areas on or within the Casino. For the purpose of this Subsection, restricted areas shall include, but are not limited to the following:

1. cage and cashier areas;
2. pit areas;
3. casino vault;
4. soft count and hard count rooms;
5. surveillance room;

6. card and dice room;
7. computer room;
8. any other area designated by the Casino Operator, Casino Manager or the Division.

B. The Casino Operator shall implement procedures to insure compliance with this Subsection. The Division may require the Casino Operator to erect barriers, stanchions, signage, and other such equipment as necessary to prohibit unauthorized Persons from entering these areas.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2947. Identification Card Issuance Equipment

A. The Casino Operator shall be required to furnish and maintain all necessary equipment for the production and issuance of Gaming Employee Identification/Permit badges. The badges shall meet all standards set forth by the Division and must be Approved by the Supervisor. The equipment shall be housed in or near the Casino and shall be capable of printing the Gaming Employee identification number issued by the Division on the identification badge.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2949. Accessibility to Premises; Parking

A. The Casino shall provide adequate parking for exclusive use by the Board, Division or their Representatives. Parking shall be within the Casino and in close proximity to the Division office and the number of parking spaces and location shall meet Division specifications.

B. The Casino shall ensure that the Board, Division or their Representatives are provided an expedient means for entry and departure in regard to access to premises. For the purpose of this Section, premises includes but is not limited to private roads, parking lots, buildings, structures, and land which the Licensee owns, leases or uses in relationship to the Casino Operation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2951. Waivers and Authorizations

A. All waivers of the Board or Division policies, special requests, and additional Approvals by the Board or Division, except matters concerning emergency situations, must be submitted, in writing, to the Board and Division no less than ninety (90) days prior to the Casino Operator's planned implementation date, unless a shorter time is approved by the Board or Division. No waiver or Board or Division Approval is valid until such time as the Casino Operator receives an authorization number and written Approval from the Board or Division, except Approvals to ship Gaming Devices into the state in which case the Board or Division shall give an Approval number for the shipment. The Board or Division declares the right to determine what constitutes an emergency situation on a case by case basis.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2953. Comfort Letters

A. The Supervisor may authorize the issuance of *comfort letters* by the Division. A *comfort letter* may be issued on any matter over which the Division has regulatory power or enforcement power as authorized by the Act or by these Regulations. A *comfort letter* may be a prior Approval for a matter for which such prior Approval is not required by the Act or by these Regulations, a statement of no objection by the Division for a matter for which an Approval is not required by the Act or by these Regulations, or such other matters as the Supervisor may deem appropriate.

B. A request for a *comfort letter* must be in writing and must be received by the Division at least sixty (60) days prior to the event, transaction, occurrence or other matter for which the *comfort letter* is sought. The sixty (60) day requirement may be waived by the Supervisor upon a showing of good cause.

C. A *comfort letter* shall only be a statement of the Division's position on a matter as is outlined or described in the written request authorized by this Section. Any matter over which a *comfort letter* has been issued is still subject to Division Approval after an appropriate investigation as is authorized by the Act or these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2955. Approvals

A. All Approvals issued by the Division are conditional and ineffective unless they are in writing and signed by the Supervisor or by an Agent authorized to sign on behalf of the Supervisor.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2957. Extension of Credit

A. Regulations 2957 et seq. shall apply to the extension of credit by the Casino Operator to a Patron in the form of markers or the extension of other lines of credit. These Regulations shall not apply to check cashing provided such check cashing is performed consistent with the Casino Operator's Approved Internal Controls and as otherwise provided in these Regulations.

B. A credit file for each Person shall be prepared by the Casino Operator's or Casino Manager's cage cashier or credit department representative with no incompatible functions either manually or by computer prior to the Casino Operator's or Casino Manager's approval of a Person's credit limit. All credit limits and changes thereto shall be supported by the information obtained in the credit file. All information recorded in the credit file shall be in accordance with the Casino Operator's or Casino Manager's system of internal controls Approved by the Division.

C. Prior to the Casino Operator's or Casino Manager's approval of a Person's credit limit, a credit department representative with no incompatible functions shall document that the Casino Operator or Casino Manager:

1. has received information from a bona fide credit reporting agency that the Person has an established credit history that is not derogatory; or

2. has received information from a legal business that has extended credit to the Person that the Person has an established credit history that is not derogatory; or

3. has received information from a financial institution at which the Person maintains an account that the Person has an established credit history that is not derogatory; or

4. has examined records of its previous credit transactions with the Person showing that the Person has paid substantially all of his credit instruments and otherwise documents that it has a reasonable basis for placing the amount or sum at the Person's disposal;

5. if no credit information was available from any of the sources listed in Subparagraph (C)(1-4) above for a Person who is not a resident of the United States, the Casino Operator or Casino Manager has received, in writing, information from an agent or employee of the Casino Operator or Casino Manager, limited to those listed in §2959, who has personal knowledge of the Person's credit reputation or financial resources that there is a reasonable basis for extending credit in the amount or sum placed at the Person's disposal (Such information shall be furnished to the Division upon request);

6. has, in the case of third party checks for which cash, chips, or tokens have been issued to the Person or which were accepted in payment of another credit instrument, either examined and photocopied the Person's valid driver's license, or if a driver's license cannot be obtained, examined and photocopied some other document normally acceptable as a means of identification when cashing checks to be kept in the Person's credit file and has, for the check's maker or drawer, performed and documented one of the credit checks set forth in this Subsection;

7. has ensured that the Person to whom the credit is extended, signs the credit instrument when credit is extended;

8. has obtained, recorded and verified the Person's address before extending the credit.

D. Credit limit extensions, not to exceed \$1,000, may be Approved without performing the requirements of Subsections (B) and (C) above if such credit extensions are temporary and are noted as being for this trip only (TTO) in the credit file. Temporary credit extensions shall be limited to the strict guideline of the Approved Internal Control system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2959. Credit Approval Authorization

A. Any credit limit, and any changes thereto, must be Approved by any one or more of the individuals identified in the Approved internal controls, or holding the job positions of the vice president of Casino operation, credit manager, assistant credit manager, credit shift manager, credit executive or a credit committee composed of Casino key employees with no incompatible functions which may approve credit as a group but whose members may not approve credit individually unless such Person is included in the job position referenced above, or in the Approved Internal Controls.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2961. Credit Limit Increases

A. Prior to approving a credit limit increase, a representative of the credit department shall:

1. obtain a written request from the Person;
2. verify the Person's current Casino limits and outstanding balances;
3. verify the Person's outstanding indebtedness and personal checking account information;
4. consider the Person's player rating based on a continuing evaluation of the amount and frequency of play subsequent to the Person's initial receipt of credit. The Person's player rating shall be readily available to the credit department prior to their approving a Person's request for a credit limit increase;

5. for table game play, the information for the Person's player rating shall be recorded on a player rating form by Casino department supervisors or put directly into the Casino Operator's or Casino Manager's computer system pursuant to an Approved Submission;

6. for slot play, the information for the Person's player rating shall be recorded on a player rating form by slot department supervisors, or put directly into the Casino Operator's or Casino Manager's system pursuant to an Approved submission, or generated by insertion of a card, by a Person, into a card reader attached to a slot machine;

7. include the information and documentation required by Subsections (A)(1)-(A)(6) above and the Person's player rating indicated at the time the credit increase is approved in the Person's credit file.

B. The Casino Operator or Casino Manager shall establish procedures for safeguarding used player rating forms. Such procedures shall be incorporated in the system of internal controls Approved by the Division.

C. Credit limit increases may be Approved without performing the requirements of Subsections (A)(2) and (A)(3) above if the increases are temporary and are noted as being for this trip only (TTO) in the credit file. Temporary increases shall be limited to the strict guideline of the Approved internal control system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2963. Additional Requirements

A. The Casino Operator's or Casino Manager's credit department shall either verify the Person's address, current Casino credit limits and any outstanding indebtedness, or suspend the Person's credit privileges, whenever:

1. A Person's credit file has been inactive for a 12 month period; or
2. A Person has failed to completely pay off his credit balance at least once within a 12 month period; or
3. A credit instrument is returned to the Casino Operator or Casino Manager by a Person's bank; or
4. Information is received by the Casino Operator's or Casino Manager's credit department which reflects negatively in the Person's continued credit worthiness; or

5. The information in the Person's credit file has not been updated or verified for a 12 month period.

6. The Casino Operator or Casino Manager shall verify the Person's name and banking information whenever the Casino Operator or Casino Manager has reason to believe that this information has changed.

B. If a Person's credit privileges have been suspended, the procedures required by Subsection (A) above shall be performed before that Person's credit privileges are reinstated provided, however, if the suspension is the result of a return check by the Person's bank, the Casino Operator or Casino Manager may alternatively reinstate the Person's credit privileges by complying with the requirements of §2965 of these Regulations.

C. The Casino Operator or Casino Manager shall verify the Person's name and banking information whenever the Casino Operator or Casino Manager has reason to believe that this information has changed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2965. Suspension of Credit Privileges

A. Any Person having a check returned to the Casino Operator or Casino Manager unpaid by the Person's bank shall have his credit privileges suspended until such time as the returned check has been paid in full or the reason for the derogatory information has been satisfactorily explained. If the Casino Operator or Casino Manager desires to continue the Person's credit privileges on the basis of a satisfactory explanation having been obtained for the returned check, it may do so if the Casino Operator or Casino Manager records the explanation for its decision in the credit file before accepting any further checks from the Person along with the signature of the credit department representative accepting the explanation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2967. Record Keeping

A. All transactions affecting a Person's outstanding indebtedness including all issuances of credit and payments thereof, to the Casino Operator or Casino Manager shall be recorded in chronological order in the Person's credit file and credit transactions shall be segregated from the safekeeping deposit transactions.

B. Player rating cards, evidence of credit worthiness and related documents shall be retained for a minimum of five years, or as long as the debt remains unpaid, whichever is longer.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2969. Collection and Deduction from Gross Revenue

A. The Casino Operator or Casino Manager, after extending credit and prior to taking a deduction for uncollected credit instruments shall:

1. document that it has attempted to collect the full amount of the debt at least once every 30 days while the debt is treated as collectible, by requesting payment in a letter

sent to the Person's known address, or in personal or telephone conversations with the Person, or by presenting the credit instrument to the Person's bank for collection, or otherwise demonstrated to the satisfaction of the Division that it has made good faith attempts to collect the full amount of the debt.

2. furnish the credit instrument to the Division within 30 days after Division's request, unless the Casino Operator or Casino Manager:

a. has independent, written and reliable verification that the credit instrument is in the possession of a court, governmental agency, or financial institution;

b. has been returned to the Person upon the Casino Operator's or Casino Manager's good faith belief that it had entered into a valid settlement created contemporaneously with the settlement that contains the information required by Subsection F of this Section;

c. has been stolen and the Casino Operator or Casino Manager has made a written report of the theft to an appropriate law enforcement agency, other than the Division, having jurisdiction to investigate the theft; or

d. the Supervisor waives the requirements of this Subsection because the credit instrument cannot be produced because of any other circumstances beyond the Casino Operator's or Casino Manager's control.

B. If the Casino Operator, or Casino Manager has returned a credit instrument upon partial payment, consolidation, or redemption of the debt, it shall issue a new *substituted* credit instrument in place of the original and shall furnish the substituted credit instrument to the Division within 30 days of its request, unless the Casino Operator or Casino Manager has independent, written, and reliable verification that the substituted credit instrument cannot be produced because it is in the possession of court, governmental agency, or financial institution, has been stolen and the Casino Operator or Casino Manager has made a written report of the theft, to an appropriate law enforcement agency having jurisdiction to investigate the theft; or the Supervisor waives the requirements of this subsection, because the substituted credit instrument cannot be produced because of any other circumstances beyond the Casino Operator's or Casino Manager's control.

C. The reports made pursuant to Subsection (A) and (B) above shall be made within 30 days of the Casino Operator's or Casino Manager's discovery of the theft and shall include general information about the alleged crime, the amount of financial loss sustained, the date of the alleged crime, and the names of employees or agent of the Casino Operator or Casino manager who may be contacted for further information. The Casino Operator or Casino Manager shall furnish to the Division, a copy of the theft report within 30 days of its creation.

D. If the Casino Operator or Casino Manager believes that a credit, or substituted credit instrument has been subject to a forgery, than the Casino Operator or Casino Manager shall:

1. submit a written report of the forgery, if any, of the Person's signature on the instrument to an appropriate law enforcement agency having jurisdiction to investigate the crime, the amount of financial loss sustained, the date of the alleged forgery, and identification of employees or agents of the Casino Operator or Casino Manager who may be

contacted for further information. The Casino Operator or Casino Manager shall furnish a copy of forgery reports made pursuant to this paragraph to the Division within 30 days of its request;

2. retain all documents showing, and otherwise make detailed records of, compliance with this Subsection, and furnish them to the Division within 30 days of its request.

E. Unless ordered by a bankruptcy court or otherwise approved by the Division, the Casino Operator or Casino Manager shall not settle the debt for less than its full amount unless such settlement is designed to:

1. induce the Person to make a partial payment;

2. compromise a genuine dispute between the Person and the Casino Operator or Casino Manager regarding the existence or amount of the debt.

3. obtain a Person's business and to induce timely payment of the credit instrument.

F. This Subsection is only satisfied if the percentage of the discount off the face value of the credit instrument is reasonable as compared to the prevailing practice in the gaming industry at the time the credit instrument was issued and the Casino Operator or Casino Manager documents or otherwise keeps detailed records of the settlement.

G. The Casino Operator or Casino Manager shall ensure:

1. that a debt settled is settled either with the Person to whom the credit was initially extended or his personal representative. For purpose of this Section, a personal representative is an individual who has been authorized by the Person to make a settlement on his behalf. The Casino Operator or Casino Manager shall document its reasonable basis for its belief that the Person has authorized the individual to settle the Person's debt.

2. the settlement agreement is reflected in a single document prepared within thirty (30) days of the agreement and the document includes:

a. the Person's name;

b. the original amount of the credit instrument;

c. the amount of the settlement stated in words;

d. the date of the agreement;

e. the reason for the settlement;

f. the signatures of the Casino Operator's or Casino Manager's employees who authorized the settlement;

g. the Person's signature or in the cases in which the Person's signature is not on the settlement document, confirmation from the Person acknowledging the debt, the settlement and its terms and circumstances in a signed, written statement received by the Division within 30 days of its request. If confirmation from the Person is not available because of circumstances beyond the Casino Operator's or Casino Manager's control, the Casino Operator or Casino Manager shall provide such other information regarding the settlement as the Division determines is necessary to confirm the debt and settlement.

H. If the Division determines that it is necessary to independently verify the existence or the amount of a settlement, the Casino Operator or Casino Manager shall allow the Division to confirm the settlement and its terms and circumstances with the Person to whom the Credit was initially extended. The Division may disallow the settlement.

I. The settlement and/or write-off of uncollectible accounts shall be determined by the credit committee composed of Key Employees with no incompatible functions

which may Approve settlement and/or write-off of uncollectables as a group but whose members may not approve such individually.

J. The Casino Operator or Casino Manager shall provide to the Division all appropriate records including but not limited to the Person's credit and collection file, upon request.

K. The Division may Approve or Disapprove such settlement and/or write-off of uncollectables consistent with these Regulations and the Division shall notify the Casino Operator or Casino Manager in writing after receiving such request.

L. In the case of a dispute, the Casino Operator or Casino Manager may appeal the Division's decision as set forth in the Act and these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2970. Collection of Gaming Credit

A. Only bonded, duly licensed collection agencies, or a Casino Operator's or Casino Manager's employees, independent agents, attorneys, or Affiliated or wholly-owned corporations and their employees or Permitted Junket Representatives may collect, on the Casino Operator's or Casino Manager's behalf and for any consideration, Gaming credit extended by the Casino Operator or Casino Manager.

B. Notwithstanding the provisions of paragraph (A) above, the Casino Operator or Casino Manager shall not permit any Person who has been found unsuitable, or who has been denied a Gaming Permit, or had a Permit revoked, to collect, on the Casino Operator's or Casino Manager's behalf and for any consideration, Gaming credit extended by the Casino Operator or Casino Manager.

C. The Casino Operator shall maintain for the Division's inspection, records that describe credit collection arrangements and shall include any written contract entered into with Persons described in paragraph (A) above, unless such Persons are the Casino Operator's Key Employees or Junket Representatives.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§2971. Disallowed Deductions

A. The Casino Operator or Casino Manager shall not be entitled to a deduction if the Minimum Payment required under the Casino Operating Contract has not been satisfied.

B. The Casino Operator or Casino Manager may not be entitled to a deduction if the particular credit was, in the sole opinion of the Division, issued in a manner that is inconsistent with the Approved internal controls system.

C. The Casino Operator or Casino Manager shall not knowingly compromise any credit collection amount with any Person that has an outstanding debt with any Affiliate, or any subsidiary thereof, of the Casino Operator or Casino Manager, without the Approval of the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 31. Rules of Play

§3101. Authority and Applicability

A. The Casino may only conduct those Games and Gaming Activities expressly authorized by the Act, by these Regulations or by the Casino's Rules of Play contained in the Internal Controls as are Approved by the Division in writing.

B. The Games and Gaming Activities authorized by this Chapter shall be conducted pursuant to these Regulations and the Casino's Rules of Play contained in the Internal Controls as are Approved by the Division in writing. In the event of a conflict or inconsistency between the Regulations and the Casino's Rules of Play, the Regulations shall prevail unless the Division issues a written order indicating otherwise in that particular case.

C. The Division may conditionally Approve a new Game for a period of up to ninety days (90) days to allow testing and evaluation to insure that Approval of such is in the best interest of the public and Patrons. A new Game authorized pursuant to this paragraph shall not be conducted after the expiration of the ninety day testing and evaluation period unless the Casino's Rules of Play are amended to include the new Game and the Division has Approved the amendment in writing.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3103. House Rules

A. As Approved by the Division in writing, the Casino Operator shall adopt and make available to all Patrons at the Casino written and comprehensive house rules governing Wagering transactions with Patrons.

B. Without limiting the generality of the foregoing, the Casino Operator's Rules of Play must specify the amounts to be paid on Winning Wagers.

C. The Casino may offer side Wagers for a bonus or progressive jackpot by receiving various combinations in any authorized Game, as long as the rules relating to such Wagers are clearly specified in the house rules pursuant to this Chapter and Approved by the Division in writing.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3105. Submission of Rules

A. The Casino Operator shall submit in writing to the Division for review and Approval the proposed Rules of Play prior to the commencement of Gaming Operations. The Casino Operator's Rules of Play shall be attached as an exhibit in the Casino Operator's Internal Controls. The Casino Operator's Rules of Play shall contain the following:

1. the rules regarding the conduct of each particular Game or Gaming Activity;
2. the manner in which Wagers are made and the minimum and maximum Wagers accepted by the Casino for a particular Game or Gaming Activity; and
3. the Payout odds applicable to Wagering transactions.

B. Any change in the Casino's Rules of Play including permissible rules, Wagers and Payout odds must be

submitted in writing and gain prior written Approval by the Division before implementation.

C. The Casino shall not permit any Game to be played other than those specifically named in the Act, these Regulations, or the Casino Operator's Rules of Play in the Internal Controls as Approved by the Division. For each Game, the Casino shall provide a written set of Game rules to the Division (60) days in advance of commencing the Game's operation or within such time period as the Division, in its sole discretion, may authorize in writing.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3107. Wagers

A. All Wagers at Gaming tables shall be made by placing Gaming Chips or Tokens on the appropriate area of the Gaming table layout. In addition, each player shall be responsible for the correct positioning of their Wager or Wagers on the Gaming layout regardless of whether or not they are assisted by the Dealer. Each player must ensure that any instructions they give to the Dealer regarding the placement of their Wager are correctly carried out.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3109. Game Limits

A. The Casino shall establish for each Approved Game and Slot Machine a minimum and maximum amount that can be Wagered on each opportunity to Wager, and shall at all times conspicuously display these limits.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3111. Publication of Payoffs

A. Payoff schedules or award cards, as Approved by the Division, in writing, shall be displayed at all times either in a conspicuous place on or immediately adjacent to every Approved Game or Gaming Device. Payoff schedules or award cards must accurately state actual payoffs or awards applicable to the particular Game or Gaming Device and must not be worded in such manner as to mislead or deceive the Public. Maintenance of any misleading or deceptive matter on any payoff schedule or award card or failure on the part of the Casino to make payment in strict accordance with posted payoff schedules or award cards may be deemed a violation of the Act, a violation of these Regulations, or a violation of the Casino's Rules of Play.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3113. Periodic Payments

A. The Casino shall remit the total winnings and non-cash prizes awarded to a Patron as the result of any Approved Game upon validation of the win by the Casino Operator. The payment of winnings over a specified period of time is prohibited unless otherwise Approved by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3115. Blackjack (Twenty-one)

A. Blackjack or Twenty-one is a card Game played with one or more decks of cards dealt in a manner Approved by the Division. The Player attempts to beat the Dealer by obtaining a total equal to or less than twenty-one (21) so that his total is higher than the Dealer's.

B. Definitions. The following words and terms shall have the following meanings unless the context clearly indicates otherwise.

1. Blackjack-shall mean an ace and any card having a point value of 10 dealt as the initial two cards to a Player or a Dealer except that this shall not include an ace and a ten point value card dealt to a Player who has split pairs.

2. Dealer-shall mean the Person responsible for dealing the cards at a Blackjack table.

3. Hard Total-shall mean the total point count of a hand which contains no aces or which contains aces that are each counted as 1 in value.

4. Hole Card-shall mean the card dealt face down to the Dealer.

5. Shoe-shall mean a device from which playing cards may be dealt. The Division may require the Casino Operator to utilize a *shutter* shoe in all the Casino's Gaming Operations.

6. Soft Total-shall mean the total point count of a hand containing an ace when the ace is counted as 11 in value.

7. Wash or Chimney Shuffle-shall mean randomly mixing the cards through a circular washing motion while the cards are spread on the layout.

C. Blackjack Table: Physical Characteristics

1. Blackjack shall be played at a table having on one side places for the Players and on the opposite side a place for the Dealer.

2. The cloth covering the Blackjack table shall have imprinted the name of the Casino or some other logo Approved by the Division and shall have areas for Players, which are six or seven in number, unless otherwise Approved by the Division.

3. Each Blackjack table shall have a drop box and a tip box attached to it as Approved by the Division.

4. The following inscriptions shall appear on the cloth covering the Blackjack table unless otherwise Approved by the Division:

- a. blackjack payouts;
- b. dealer must draw to 16 and stand on all 17's; and
- c. insurance pays 2 to 1;
- d. some Blackjack tables may have imprinted thereon a no smoking statement.

D. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Blackjack to include, but not limited to, the following:

1. cards, number of decks, number of cards in a deck, value of cards;
2. wagers;
3. payouts;
4. shuffle;
5. cut procedure;
6. removing used and damaged cards;

7. dealing procedures;
8. dead game;
9. collecting and paying.

E. No Player or spectator shall handle, remove or alter any cards used to Game at Blackjack and no Dealer, Casino supervisor or other employee will permit a Player or spectator to engage in such activity, except at hand dealt Blackjack as Approved by the Division in writing.

F. The Casino shall not permit multiple Wagers on any one box of the Blackjack layout unless express written Approval from the Division has been granted. This section does not prohibit *double downs* and *splits*.

G. Irregularities. The Casino Operator or Casino Manager shall submit to the Division for Approval written procedures addressing irregularities which shall include but not be limited to the following:

1. a card found turned upwards in the Shoe shall not be used in that Game and shall be placed in the discard rack (burned);

2. a card drawn in error without its face being exposed shall be used as though it were the next card from the Shoe;

3. after the initial two cards have been dealt to each Player and a card is drawn in error and exposed to the Players, such card shall be burned or placed in the discard rack and will not be offered to any Player or to the Dealer;

4. if the Dealer has a point total of seventeen or more and accidentally draws a card for him/herself, such card shall be burned;

5. if the Dealer misses dealing his first or second card to him/herself, the Dealer shall continue dealing the first two cards to each Player, and then deal the play, all of the cards in the discard rack shall be shuffled and cut according to procedures appropriate number of cards to him/herself;

6. if there are insufficient cards remaining in the Shoe to complete a round of outlined in the Casino's Rules of Play, the first card shall be drawn face downwards and burned; and the Dealer shall complete the round of play.

7. if no cards are dealt to a Player's hand, the hand is dead and the Player shall be included in the next deal. If only one card is dealt to the Player's hand, the Player may have the option of calling his hand deal or the Dealer shall deal the second card to the Player after all other Players have received a second card. All other Players have the option of calling their hand dead or playing their hands.

H. At all tables where the Wager and entry restrictions are in effect, a sign will be posted notifying the Patrons of the restrictions. The sign(s) shall indicate as follows:

1. mid-shoe entry prohibited until shuffle;

2. mid-shoe entry restricted to minimum Wagering until shuffle;

3. patrons not Wagering on all rounds prohibited from wagering until shuffle;

4. patrons not Wagering on all rounds restricted to minimum bet until shuffle.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3116. Royal Match 21

A. Royal Match 21 is a card Game played with one to six decks of cards dealt in a manner Approved by the Division. The player attempts to beat the Dealer by obtaining a total

equal to or less than twenty-one (21) so that the Player's total is higher than the Dealer's total.

B. Definitions. The following words and terms shall have the following meanings unless the context clearly indicates otherwise:

Blackjack shall mean an ace and any card having a point value of 10 dealt as the initial two cards to a Player or a Dealer except that this shall not include an ace and a ten point value card dealt to a Player who has split pairs.

Dealer shall mean the Person responsible for dealing the cards at a Blackjack table.

Hard Total shall mean the total point count of a hand which contains no aces or which contains aces that are each counted as 1 in value.

Hole Card shall mean the card dealt face down to the Dealer.

Shoe shall mean a device from which playing cards may be dealt. The Division may require the Casino Operator or Casino Manager to utilize a *shutter* shoe in all the Casino's Gaming Operations.

Soft Total shall mean the total point count of a hand containing an ace when the ace is counted as 11 in value.

Wash or Chimney Shuffle shall mean randomly mixing the cards through a circular washing motion while the cards are spread on the layout.

C. Table Characteristics

1. Royal Match 21 shall be played at a table having on one side places for the Players and on the opposite side a place for the Dealer.

2. The cloth covering the Royal Match 21 table shall have imprinted the name Casino or some other logo Approved by the Division and shall have areas for Players, which are six or seven in number, unless otherwise Approved by the Division.

3. Each Royal Match 21 table shall have a drop box and a tip box attached to it as Approved by the Division.

4. The following inscriptions shall appear on the cloth covering the Royal Match 21 table unless otherwise Approved by the Division:

- a. Royal Match 21 payouts;
- b. designated circle labeled *Royal Match Bet* for each Player position;
- c. dealer must draw to 16 and stand on all 17's; and
- d. insurance pays 2 to 1;
- e. some Royal Match 21 tables may have imprinted thereon a no smoking statement.

D. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Royal Match 21 to include, but not limited to, the following:

1. cards, number of decks, number of cards in a deck, value of cards;
2. wagers;
3. wagering for Royal Match 21;
4. payouts;
5. shuffle;
6. burning;
7. cut procedure;
8. removing used and damaged cards;
9. dealing procedures;
10. collecting and paying;
11. paying bets;

E. No Player or spectator shall handle, remove or alter any cards used to Game at Royal Match 21 and no Dealer, Casino supervisor or other employee will permit a Player or spectator to engage in such activity, except at hand dealt Royal Match 21 as Approved by the Division in writing.

F. The Casino shall not permit multiple Wagers on any one box of the Royal Match 21 layout unless express written Approval from the Division has been granted. This Section does not prohibit *double downs* and *splits*.

G. Irregularities. The Casino Operator or Casino Manager shall submit to the Division for Approval written procedures addressing irregularities which shall include but not be limited to the following:

1. a card found turned upwards in the Shoe shall not be used in that Game and shall be placed in the discard rack (burned);

2. a card drawn in error without its face being exposed shall be used as though it were the next card from the Shoe;

3. after the initial two cards have been dealt to each Player and a card is drawn in error and exposed to the Players, such card shall be burned or placed in the discard rack and will not be offered to any Player or to the dealer;

4. if the Dealer has a point total of seventeen or more and accidentally draws a card for him/herself, such card shall be burned;

5. if the Dealer misses dealing his first or second card to him/herself, the Dealer shall continue dealing the first two cards to each Player, and then deal the appropriate number of cards to him/herself;

6. if there are insufficient cards remaining in the Shoe to complete a round of play, all of the cards in the discard rack shall be shuffled and cut according to procedures outlined in the Casino's Rules of Play, the first card shall be drawn face downwards and burned; and the Dealer shall complete the round of play;

7. if no cards are dealt to a Player's hand, the hand is dead and the Player shall be included in the next deal. If only one card is dealt to the Player's hand, the Player may have the option of calling his hand dead or, at the Player's option, the Dealer shall deal the second card to the Player after all other Players have received a second card. All other Players have the option of calling their hand dead or playing their hands.

H. At all tables where the Wager and entry restrictions are in effect, a sign will be posted notifying the Patrons of the restrictions. The sign(s) shall indicate as follows:

1. mid-Shoe entry prohibited until shuffle;

2. mid-Shoe entry restricted to minimum Wagering until shuffle;

3. patrons not Wagering on all rounds prohibited from Wagering until shuffle;

4. patrons not Wagering on all rounds restricted to minimum bet until shuffle.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3117. Craps

A. Craps is a dice game dealt in a manner Approved by the Division. The Player attempts to predict the combined point total of two thrown dice.

B. Definitions. The following words and terms, shall have the following meanings unless the context clearly indicates otherwise.

Bowl shall mean the container in which the dice shall be stored on a live Game directly in front of the Stickperson;

Come out Point shall mean the total of 4, 5, 6, 8, 9 or 10 thrown by the Shooter on the come out Roll;

Come out Roll shall mean the first Roll of the dice at the opening of the Game and the first Roll of dice after a decision with respect to a pass bet and don't pass bet has been effected;

Come Point shall mean a total of 4, 5, 6, 8, 9 or 10 thrown by the Shooter on the next Roll following placement of a come bet or don't come bet;

Dealer shall mean the Casino employee responsible for paying winning Wagers, collecting losing Wagers, and placing Wagers on a dice Game;

Puck shall mean the marker used to either:

a. notify the Players that a Come Out Roll is about to ensue (*off mode*);

b. identify the Shooter's point (*on mode*).

Roll shall mean the throw of the dice by Shooter;

Out shall mean a total of 7 thrown by the Shooter subsequent to his establishment of a Come Out Point;

Shooter shall mean the Player who throws the dice;

Stick shall mean the instrument with which to move, present or gather the dice;

Stickperson shall mean the Casino employee responsible for the dice, pace of the Game, and the proposition area;

Total shall mean the sum of numbers shown on the high or uppermost side of the two dice on any given Roll;

Wager shall mean the amount and type of bet a Player makes on a dice Game.

C. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Craps to include, but not limited to, the following:

1. the physical characteristics of the craps table;

2. permissible wagers;

3. making and the removal of wager;

4. payout odds;

5. buy and let bets;

6. supplemental wagers;

7. dice; retention and selection;

8. throw of dice;

9. invalid roll of the dice;

10. point throw; settlement of wagers;

11. continuation of shooter, selection of new shooter;

12. irregularities.

D. Vigorish Prohibited. Except as otherwise provided for in this Chapter of the Casino's Rules of Play, the Casino

shall not charge any percentage, fee or vigorish to a Player in making any wager in the Game of Craps.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3119. Roulette

A. Roulette is a wheel game dealt in a manner Approved by the Division. The Player attempts to predict in which pocket the ball will come to rest.

B. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for roulette to include, but not limited to the following:

1. physical characteristics of the Roulette table;
2. wagers;
3. payout odds;
4. rotation of Wheel and Ball.

C. Irregularities. The Casino Operator or Casino Manager shall submit to the Division for Approval written procedures addressing irregularities which shall include but not be limited to the following:

1. if the ball is spun in the same direction of the wheel, the Dealer shall inform the Players that the spin is not valid by announcing *No Spin* and shall attempt to remove the Roulette ball from the wheel prior to its coming to rest in one of the compartments;

2. if the roulette ball does not complete four (4) revolutions around the track of the wheel, the Dealer shall inform the Players that the spin is not valid, by announcing *No Spin* and shall attempt to remove the Roulette ball from the wheel prior to its coming to rest in one of the compartments;

3. if a foreign object enters the wheel prior to the ball coming to rest, the Dealer shall inform the Players that the spin is not valid, by announcing *No Spin* and shall attempt to remove the Roulette ball from the wheel prior to its coming to rest in one of the compartments;

4. if a ball appears to *Float* and does not drop in a normal fashion, a Dealer or a Floorperson, Pit boss or Casino Manager may inform the Players that the spin is not valid by announcing *No Spin* and shall attempt to remove the Roulette ball from the wheel prior to its coming to rest in one of the compartments.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3120. Baccarat

A. Baccarat is a card game dealt in a manner Approved by the Division. The Player attempts to predict whether the banker or players hand total will be closer to nine.

B. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Baccarat to include, but not limited to the following:

1. physical characteristics of the table;
2. cards, number of decks, value, point count of hand;
3. wagers;
4. payout odds, vigorish;
5. shuffle and cut of the cards;
6. dealing shoe/ selection of player to deal cards;

7. hands of player and banker; procedure for dealing initial two cards to each hand;

8. rules for determining whether a third card shall be dealt;

9. procedure for dealing additional cards;

10. announcement of result of round, payment and collection of wagers;

11. irregularities.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3121. Mini-Baccarat

A. Baccarat is a card game dealt in a manner Approved by the Division. The Player attempts to predict whether the banker or players hand total will be closer to nine.

B. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Mini-Baccarat to include, but not limited to the following:

1. physical characteristics of the table;
2. cards, number of decks, value, point count of hand;
3. wagers;
4. payout odds, vigorish;
5. shuffle and cut of the cards;
6. dealing shoe;
7. hands of player and banker; procedure for dealing initial two cards to each hand;
8. rules for determining whether a third card shall be dealt;
9. procedure for dealing additional cards;
10. announcement of result of round, payment and collection of wagers;
11. removing used cards from table;
12. irregularities.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3122. Midi-Baccarat

A. Baccarat is a card game dealt in a manner Approved by the Division. The Player attempts to predict whether the banker or players hand total will be closer to nine.

B. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Midi-Baccarat to include, but not limited to, the following:

1. physical characteristics of the table;

2. cards, number of decks, value, point count of hand;

3. wagers;

4. payout odds, vigorish;

5. shuffle and cut of the cards;

6. dealing shoe/selection of player to deal card if applicable;

7. hands of player and banker; procedure for dealing initial two cards to each hand;

8. rules for determining whether a third card shall be dealt;

9. procedure for dealing additional cards;

10. announcement of result of round, payment and collection of wagers;

11. removing used cards from the table.

C. Irregularities. The Casino Operator or Casino Manager shall submit to the Division for Approval written procedures addressing irregularities which shall include but not be limited to the following:

1. a third card dealt to the *Player's Hand* when no third card is authorized by the Casino Rules of the Game, shall become the third card of the *Banker's Hand* if the *Banker's Hand* is obliged to draw. If in such circumstances, the *Banker's Hand* is required to stand, the card dealt in error shall become the first card of the next round unless the cards are reshuffled or replaced before the next round. In such cases the disclosed card shall be removed from play and the void hand procedure shall be followed. Starting with the exposed card, the dealer will announce *No Bets this Hand* and proceed to deal a void hand. All third card hitting rules will apply. After the hand is dealt, normal play will resume;

2. a card drawn in excess from the shoe if not disclosed shall be used as the first card of the next round of play unless the cards are reshuffled or replaced before the next round. If the card has been disclosed, it shall be removed from play and the void hand procedure will be followed. Starting with the exposed card, the Dealer will announce *No Bets this Hand* and proceed to deal a void hand. All third card hitting rules will apply. After the hand is dealt, normal play will resume;

3. any card found face upwards in the shoe shall be removed from play and the void hand procedure will be followed. Starting with the exposed card, the Dealer will announce *No Bets this Hand* and proceed to deal a void hand. All third card hitting rules will apply. After the hand is dealt, normal play will resume;

4. if there are insufficient cards remaining in the shoe to complete a round of play, that round shall be void and a new round shall commence after the entire set of cards is reshuffled and replaced in the shoe;

5. if during the initial deal the cards are dealt out of sequence and cannot be reconstructed, the hand shall be void;

6. if a card is drawn and exposed that is not needed for the hand in play the dead hand procedure will be followed. Starting with the exposed card, the Dealer will announce *No Bets this Hand* and proceed to deal a void hand. All third card hitting rules will apply. After the hand is dealt, normal play will resume;

7. if the dealer fails to count and burn the initial cards at the commencement of a shoe, or any situation that requires the cards to be burned, or a dead hand is dealt, play will continue as provided in the Rules of Play as Approved by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3123. Big Six Wheel

A. Big Six is a Wheel of Fortune game dealt in a manner Approved by the Division. The player attempts to predict the section in which the wheel will stop.

B. Big Six Payout Odds

1. The Casino shall pay off Winning Wagers at Big Six at the odds listed below unless otherwise Approved by the Division in writing:

BET PAYOUT ODDS

\$ 1 Insignia 1 to 1

\$ 2 Insignia 2 to 1

\$ 5 Insignia 5 to 1

\$10 Insignia 10 to 1

\$20 Insignia 20 to 1

Joker 45 to 1

Name of Casino 45 to 1

C. Big Six Wheel: Physical Characteristics.

1. Gaming at Big Six shall be conducted at a wheel circular in shape not less than 48 inches or more than 66 inches in a diameter. The rim of the wheel shall be divided into 54 equally spaced sections containing a \$1.00 bill, 15 sections containing a \$2.00 bill, 8 sections containing a \$5.00 bill, 4 sections containing a \$10.00 bill, 2 sections containing a \$20.00 bill, 1 section containing the name of *The Casino* (Logo), and 1 section containing a picture of the Joker, each of which sections shall be covered with glass, unless otherwise Approved by the Division.

2. Each Big Six Wheel table shall have the name of the Casino, or such other logo Approved by the Division displayed on it and shall have a drop box and a tip box attached to it at the locations.

3. The cloth covering each Big Six table shall be marked with insignias of a \$1.00 bill, a \$2.00 bill, a \$5.00 bill, a \$10.00 bill, a \$20.00 bill, a (Licensee Logo) and a Joker, which shall be used by patrons in placing bets at this game.

D. Big Six Wheel: Wagers and Rotation of the Wheel.

1. The minimum Wagers and the maximum Wagers established by the Casino shall be and remain conspicuously posted at each Big Six Table.

2. Players who are high limit Players and are known by a Floorperson or Pit Boss may make Wagers which exceed the stated table limit with the Approval of the Floorperson, but not to exceed the maximum limit in the Casino. Only those Persons authorized in the Approved Internal Controls may authorize a player to exceed the maximum Casino limit.

3. Any Wager made by a Patron that is less than the posted table minimum and is not rejected by either a Dealer or a Floorperson, Pit Boss, Casino Manager or Director of Casino Operations prior to commencement of play shall be treated as a valid Wager. Any Wager made by a Patron that is in excess of the posted table maximum and is not rejected prior will only be valid up to the posted table maximum; the excess shall be returned to the layer and not considered part of the valid Wager.

4. The Dealer shall walk-spin the wheel at least two times before the final spin and release of the wheel. Before the Dealer releases the wheel, he/she will call *no more bets*.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3125. Bouree

A. Bouree is a Louisiana card game dealt in a manner Approved by the Division. It is played with the dealer revealing the trump card and the card in play. Winners are determined by the most tricks taken.

B. Number of Players. Three to five. Each Player for himself. Five is the standard and less than five is a short game.

C. The Pack. The Pack consists of 52 cards divided in four suits of 13 cards each.

D. Rank of Cards. A (high), K, Q, J, 10, 9, 8, 7, 6, 5, 4, 3, 2

E. Ante. A contribution of one Chip to the pot by each Player, made before each deal and at the start belonging equally to all Players.

F. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Bouree to include, but not limited to, the following:

1. cards, number of cards in deck, value of cards;
2. the shuffle and cut;
3. the deal;
4. the draw;
5. incorrect dealing in the draw;
6. exposed cards;
7. incorrect number of cards;
8. misdeal;
9. irregularities;
10. the play;
11. object of game;
12. what constitutes a game;
13. what constitutes a winner;
14. split;
15. safe;
16. bourre;
17. renege;
18. recall renege;
19. card the board recall;
20. card the board;
21. penalties;
22. pot level;
23. buy in;
24. additional buy in;
25. cinch hand;
26. vigorish;
27. irregularities.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3127. Poker

A. Poker is a card game dealt in a manner Approved by the Division. The player attempts to obtain a five-card hand combination that is better than the other players.

B. Definitions. The following words and terms, shall have the following meanings unless the context clearly indicates otherwise.

Action a binding verbal statement or physical gesture of intention, folding or putting money in the Pot by a Bet, Call or Raise.

Ante a Player's initial Wager or predetermined contribution to the Pot prior to the dealing of the first Hand.

Bet to make a Wager by putting chips into the Pot.

Big-Bet Poker any betting structure where the maximum Wager is unlimited or controlled by the size of the Pot, such as no-limit, Pot-limit or half-Pot limit.

Call a Wager made in an amount equal to the immediately preceding Wager.

Cap the Betting to prohibit all further Wagers that increase the Total Bet on a round. Once the Betting has been capped, even all-in Bets increasing the Total Bet are not allowed.

Card Game Shill an employee engaged and financed by the Casino as a Player for the purpose of starting and/or maintaining a sufficient number of Players in a card Game. Casinos are prohibited from using Card Game Shills in an Games offered for play.

Card Table Bank an impressed inventory of cash and Chips physically located in the Table Tray on the card table and controlled by the Casino through accountability established with the Chip and Card room Bank.

Ceiling Figure a restriction on the size of the Total Bet on a particular Betting round, or in all Betting rounds for a certain Game.

Check to waive the right to initiate the Wagering but to retain the right to Call after all the other Players have either Wagered or folded.

Chip and Card Bank an impressed fund which is a part of and accountable to the Casino's cage or bankroll but which is maintained in the card room.

Dead Blind a blind that is assigned to a seat no longer occupied by an active Player, and therefore, not posted.

Dead Button a button is placed in front of a seat which is no longer occupied by an active Player.

Dead Money money that is taken into the center of the Pot because it is not considered part of a particular Player's Bet.

Fixed Limit any Betting structure where the Betting limit on each particular round does not vary.

Flexible Limit any Betting structure where there is a fixed upper limit but variable range on each Betting round, such as *one to four dollar limit*.

Hand one Game in a series, one deal in a card Game, or the cards held by a Player.

Higher-Limit Games at Seven-Card Stud, Games allowing a Bet of twenty dollars or more. At Holdem and forms of poker using blinds, Games allowing a Bet of ten dollars or more.

Lower-Limit Games at Stud, Games where the maximum Bet is less than twenty dollars. At Holdem and forms of poker using blinds, Games where the maximum Bet is less than ten dollars.

Minimum Betting Unit the smallest denomination of Chip that is permitted to be Wagered in the Game once antes and blinds are posted.

Muck the discard pile is referred to as a *the muck*. Muck may be used as verb meaning to put a Hand into the discard pike and thereby killing it.

Multi-Handed a Pot with more than two active Players in contention.

Pot the Total amount anted and Wagered by Player during a Hand.

Proposition Player a Person paid a fixed sum by the Casino for the specific purpose of playing in a card Game who uses his own funds and who retains his Winnings and absorbs his losses.

Raise a Wager made in an amount greater than the immediately preceding Wager.

Rake-Off a percentage of the Pot which is taken by the Casino for maintaining or dealing the Game.

C. Rules. The Casino Operator or Casino Manager shall submit to the Division for Approval, Rules of Play for Poker to include, but not limited to, the following:

1. cards, number of cards in deck, value of cards;
2. dealer procedures;
3. direction of play;
4. betting structure;
5. ranking of hands;
6. the buy-in;
7. table stakes;
8. change during a deal;
9. bottom of deck; the bottom card of the deck shall never be dealt;
10. exposed cards;
11. misdeals;
12. foul hand;
13. action out of turn;
14. burncards;
15. premature dealing;
16. uncalled bet;
17. insufficient bet;
18. insufficient call;
19. unclear bet;
20. string bet; and
21. overside chip bet.
22. bet or fold;
23. raises;
24. check and raise;
25. boxed card;
26. improper joker;
27. defective deck;
28. dropped deck;
29. showdown;
30. collusion;
31. irregularities.

D. A list of the House Rules shall be posted in public view near the location of the poker tables.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3128. Caribbean Stud Poker

A. Caribbean Stud Poker is a five card stud poker game with the Patron's cards being hand-held and banked by the house. It also offers Patrons an option to participate in a progressive jackpot. A progressive jackpot is a separate amount of money that may be won by a Patron with an optional Bet. The progressive jackpot is displayed on a meter at the Caribbean Stud Poker table. Actual value of the progressive jackpot is shown on a computer monitor.

B. Definitions. The following works and terms, when used in this Section shall have the following meanings unless the context clearly indicates otherwise.

Caribbean Stud is a five card stud poker game with the players' cards being hand-held, banked by the house and also offers patrons an option to participate in a progressive jackpot.

Dealer the person responsible for dealing the cards at a Caribbean Stud table.

Progressive Jackpot is a separate amount of money that may be won by a player with an optional bet. Progressive jackpot is displayed on a meter at the Caribbean Stud table. Actual value of progressive jackpot is shown on a monitor.

C. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Caribbean Stud Poker to include, but not limited to, the following:

1. card, number of decks, number of cards in deck, value of cards;
2. wagers;
3. wagering on the progressive jackpot;
4. progressive payoff procedures;
5. shuffle;
6. cut procedure;
7. removing used and damaged cards;
8. dead game;
9. minimum and maximum bets;
10. bet odds;
11. dealing the hands;
12. collecting and paying;
13. progressive jackpot (optional);
14. progressive jackpot payouts;
15. malfunctions;
16. irregularities.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3129. Pai Gow Poker

A. Pai Gow Poker is a Poker style card game dealt in a manner Approved by the Division. The player attempts to have his two (high and low) hands beat the bankers two (high and low) hands.

B. Definitions. The following words and terms, when used in this Section shall have the means unless the context clearly indicates otherwise:

Bank shall mean the Player who elects to have the other Players and the Dealer play against him/her and accepts the responsibility to pay all Winning Wagers.

Chung plastic marker stating Banker and Co-Banker.

Co-Banking means when the Bank covers 50% and the Casino covers 50% of all Wagers.

Copy Hand shall mean either a two card Hand or a five card Hand of a Player which is identical in rank to the corresponding tow card Hand or five card Hand of the Dealer or Bank.

Foul or Fouled Hand means when the two card Low hand is higher in rank, than the five card High Hand. The Banker cannot foul his/her Hand, the cards must rest.

High Hand shall mean the five card Hand which is formed from the seven cards dealt at the Game of Pai Gow Poker so as to rank lower than five card High Hand.

Low Hand shall mean the two card Hand which is formed from the seven cards dealt at the Game of Pai Gow Poker so as to rank lower than five card High Hand.

Rank or Ranking shall mean the relative position of a card or group of cards in descending order.

Set or Setting the Hands shall mean the process of forming a High Hand and Low Hand from the seven cards dealt.

Suit shall mean one of the four categories of cards, i.e., diamond, spade, club or heart.

C. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Pai Gow Poker, to include, but not limited to, the following:

1. Game Equipment:
 - a. Cards, Number of Decks, Dealing Shoe;
 - b. Random Number Generator, Pai Gow Poker Shaker.
2. Pai Gow Poker Ranking;
3. Wagers;
4. Dealing the Cards;
5. Bet or Fold;
6. Foul Hand;
7. Boxed Card;
8. Improper Joker;
9. Defective Deck;
10. Dropped Deck;
11. The Showdown;
12. Order of Showdown;
13. Rank of Suits;
14. Collecting and Paying;
15. Payout;
16. Odds;
17. Collusion;
18. Spectators;
19. Irregularities.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3130. Let It Ride Stud Poker

A. Let It Ride Stud Poker offers Casino guests an opportunity to control two of their three Bets Wagered on a poker game. This game is based on Five Card Stud Poker, and the Players do not play against other Players or the house.

B. Definitions. The following words and terms, when used in this Section, shall have the following meaning unless the context clearly indicates otherwise:

Community Cards mean any card which is initially dealt face down to the Dealer and which is used by all Players to form a five card Hand.

Hand means the five card Hand formed for each Player by combining the three cards dealt to the Player and the two community cards.

Let It Ride means when a Player chooses not to take back either of the two or three Wagers.

Round of Play means one complete cycle of play during which all Players and the Dealer have been dealt three cards, have Wagered upon it and had their Wagers paid off or collected in accordance with the Rules of this submission.

Stub means the remaining portion of the deck after all cards in the Round of Play have been dealt.

Suit means one of the four categories of cards: club, diamond, heart or spade, with no suit being higher in rank than another.

C. Table Characteristics

1. Let It Ride shall be played at table having on one side, places for the Players and on the opposite side, a place for the Dealer. The cloth covering a Let it Ride poker table shall have seven separate designated betting areas for the placement of Wagers. Each designated betting area shall include three separate places to place Wagers. There shall also be a separate designated area located directly in front of the table inventory container for the placement of the Community Cards.

2. The following inscriptions shall be conspicuously printed on each Let It Ride covering, *25,000.00 Aggregate Win Per Round*. The Casino shall post or make available at each Let it Ride poker table information explaining the details and ramifications of this aggregate Win limit.

3. Each Let It Ride poker table shall have a drop box and tip box attached to it.

D. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Let It Ride Poker to include, but not limited to, the following:

1. cards, number of cards, number of cards in a deck, value of cards;
2. shuffle;
3. dealing;
4. let it ride rankings;
5. wagers;
6. procedures for completion of each round of play;
7. payout odds;
8. collecting and paying;
9. house limit;
10. dead game.

E. Irregularities. The Casino Operator or Casino Manager shall submit to the Division for Approval written procedures addressing irregularities which shall include but not be limited to the following:

1. if any Player or Dealer is dealt an incorrect number of cards, all Hands will be void and the cards will be reshuffled;

2. if the automated card shuffling device being used jams, stops shuffling during a shuffle or fails to complete a shuffle cycle the cards will be reshuffled;

3. if a community card is exposed during the deal, or at any time other than the proper procedure of turning over community cards, the Hand shall be declared dead;

4. if the Player Bets less or more on one/two of the three Bets than the others, the Wager will be treated as if the Player Bet the lowest Wager in their Betting area;

5. if a Player Bets on only one (1) or two (2) of the three (3) Betting spots, that Hand will be declared dead.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3131. Let it Ride Bonus Stud Poker

A. Let It Ride Bonus Stud Poker offers Casino guests an opportunity to control two of their four Bets Wagered on a poker game. This game is based on Five Card Stud Poker, and the Players do not play against other Players or the house.

B. Definitions. The following words and terms, when used in this Section, shall have the following meaning unless the context clearly indicates otherwise:

Community Cards mean any card which is initially dealt face down to the Dealer and which is used by all Players to form a five card Hand.

Hand means the five card Hand formed for each Player by combining the three cards dealt to the Player and the two community cards.

Let it Ride means when a Player chooses not to take back either of the two or three Wagers.

Round of Play means one complete cycle of play during which all Players and the Dealer have been dealt three cards, have Wagered upon it and had their Wagers paid off or collected in accordance with the Rules of this submission.

Stub means the remaining portion of the deck after all cards in the Round of Play have been dealt.

Suit means one of the four categories of cards: club, diamond, heart or spade, with no suit being higher in rank than another.

C. Table Characteristics

1. Let it Ride shall be played at table having on one side, places for the Players and on the opposite side, a place for the Dealer. The cloth covering a Let it Ride poker table shall have seven separate designated betting areas for the placement of Wagers. Each designated betting area shall include three separate places to place Wagers. There shall also be a separate designated area located directly in front of the table inventory container for the placement of the Community Cards.

2. The following inscriptions shall be conspicuously printed on each Let it Ride covering, *25,000.00 Aggregate Win Per Round*. The Casino shall post or make available at each Let it Ride poker table information explaining the details and ramifications of this aggregate Win limit.

3. A designated sensor circle for each position shall be located in front of the Betting circles. This sensor circle shall be used for placing a Bet for a bonus payout.

4. Each Let it Ride poker table shall have a drop box and tip box attached to it.

D. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Let it Ride Bonus Stud Poker to include, but not limited to, the following:

1. cards, number of cards, number of cards in a deck, value of cards;
2. shuffle;
3. dealing;
4. let it ride bonus stud poker rankings;
5. wagers;
6. wagering a bonus bet;
7. procedures for completion of each round of play;
8. payout odds;
9. bonus payoff procedures ;
10. bonus payout identification requirements;
11. collecting and paying;
12. house limit;
13. dead game;
14. malfunctions;
15. accounting;

E. Irregularities. The Casino Operator or Casino Manager shall submit to the Division for Approval written procedures addressing irregularities which shall include but not be limited to the following.

1. If any Player or Dealer is dealt an incorrect number of cards, all Hands will be void and the cards will be reshuffled.

2. If the automated card shuffling device being used jams, stops shuffling during a shuffle or fails to complete a shuffle cycle the cards will be reshuffled.

3. If a community card is exposed during the deal, or at any time other than the proper procedure of turning over community cards, the Hand shall be declared dead.

4. If the Player Bets less or more on one/two of the three Bets than the others, the Wager will be treated as if the Player Bet the lowest Wager in their Betting area.

5. If a Player Bets on only one (1) or two (2) of the three (3) Betting spots, that Hand will be declared dead.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3132. Casino War

A. Casino War is a card game played with three to six decks of cards dealt from a shoe. The Player attempts to beat the Dealer by obtaining a card with a value higher than that of the Dealer's card.

B. The Casino Operator or Casino Manager shall submit to the Division for Approval, written and comprehensive Rules of Play for Casino War to include, but not limited to, the following:

1. physical characteristics of the table;
2. cards, number of decks and value of card;
3. shuffle and cut of the cards;
4. burning of a card;
5. wagers;
6. dead games;
7. minimum and maximum bets;
8. dealing the hands;
9. collecting and paying.

C. Irregularities. The Casino Operator or Casino Manager shall submit to the Division for Approval written procedures addressing irregularities which shall include but not be limited to the following:

1. a card found turned upwards in the shoe shall not be used in that game and shall be burned;
2. a card drawn in error without its face being exposed shall be used as though it were the next card from the shoe;
3. a card drawn in error and exposed to the players shall be burned;
4. if a Player does not receive a card after placing their initial wager and the Dealer has passed them, the Player shall have no action until the next hand.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 33. Surveillance

§3301. Required Surveillance Equipment

A. The Casino Operator shall install in the Casino a closed circuit television system in accordance with the specifications herein and shall provide for access at all times

to the system or its signal by Agents of the Division. The closed circuit television must meet or exceed the following specifications established by the Division to include;

1. Solid state, black and white cameras, as Approved by the Division installed in fixed positions with matrix control and/or with pan, tilt and zoom capabilities, secreted from public and non-Surveillance personnel view to effectively and clandestinely monitor in detail, from various vantage points, the following:

a. the Gaming conducted at the Electronic Gaming Devices; including, but not limited to the coin and currency acceptor area, the Payout Tray, and the designated house number assigned to the device or its location;

b. the count processes conducted in the count rooms;

c. the movement of cash, Chips, drop boxes, Token storage boxes, and drop buckets within the Casino and any area of transit of uncounted Tokens, Chips, cash and cash equivalents;

d. any area where Tokens or Chips can be purchased or redeemed;

e. the entrance and exits to the Casino and the count rooms;

f. for all live Games regardless of Patron or employee position:

i. hands of all Gaming Patrons and Dealers;

ii. tray; and

iii. overall layout of the table area capable of capturing clear individual images of Gaming Patrons and Dealers, inclusive of, without limitation, facial views and the playing surface so that the outcome of each Game may be clearly observed.

g. Such other areas as the Supervisor designates.

2. Individual solid state, color, cameras as Approved by the Division installed with matrix and/or pan, tilt and zoom capabilities secreted from public and non-Surveillance personnel view augmented with appropriate color corrected lighting to effectively and clandestinely monitor in detail, from various vantage points, the following:

a. for Roulette tables, in a manner to clearly observe the Wagers, Patrons, and the outcome of each Game;

b. the operations conducted at the fills and credit area of the cashier's cage(s).

3. All closed circuit cameras equipped with lenses of sufficient magnification to allow the operator to clearly distinguish the value of the Chips, Tokens and playing cards.

4. Video monitors that meet or exceed the resolution requirement for video cameras with solid state circuitry, and time and date insertion capabilities for taping what is being viewed by any camera in the system. Each video monitor screen must measure diagonally at least twelve (12) inches and all controls must be front mounted.

5. Video printers capable of adjustment and possessing the capability to generate instantaneously, upon command, a clear, color and/or black and white, copy of the image depicted on the videotape recording.

6. Date and time generators based on a synchronized, central or master clock, recorded on tape and visible on any monitor when recorded.

7. Wiring to prevent tampering. The system must be supplemented with a back-up gas/diesel generator power

source which is automatically engaged in case of a power outage and capable of returning to full power within seven (7) to ten (10) seconds. A monitoring device which alerts personnel that the backup system is in operation must also be installed in the Surveillance Room.

8. An additional uninterrupted power supply system so that time and date generators remain active and accurate, and switching gear memory and video surveillance of all casino entrances/exits and cage areas is continuous.

9. Video switchers capable of both manual and automatic sequential switching for the appropriate cameras.

10. Videotape recorders as Approved by the Division capable of producing high quality first generation pictures and recording on a standard 2 inch, V.H.S. tape with high-speed scanning and flickerless playback capabilities in real-time or other medium Approved by the Division. Such videotape recorders must possess time and date insertion capabilities for taping what is being viewed by any camera in the system.

11. Audio recording capability in the soft count room.

12. Adequate lighting in all areas where camera coverage is required. The lighting shall be of sufficient intensity to produce clear videotape and still picture production, and correct color correction where color camera recording is required. The video must demonstrate a clear picture, in existing light under normal operating conditions.

13. At all times during the conduct of Gaming, the Casino Operator shall have as a reserve, six (6) back-up cameras and six (6) video recording devices in the event of failure.

14. The Division may allow alternative Surveillance equipment at the Supervisors discretion.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3303. Surveillance System Plans

A. The Casino Operator shall submit to the Division a Surveillance System plan no later than ninety (90) days prior to the start of Gaming Operations. The Surveillance System plan must include a floor plan that shows the placement of all Surveillance equipment in relation to the locations required to be covered by this Regulation and a detailed description of the Casino Surveillance System and its equipment. The plan must also include a detailed description of the layout the Surveillance Room and the configuration of the monitoring equipment. In addition, the plan may include other information that evidences compliance with this Subsection by the Casino Operator including, but not limited to, a Casino configuration detailing the location of all Gaming Devices and Equipment.

B. Any changes to the Surveillance Room or the Surveillance System must be submitted to the Division for prior Approval as provided in Section 2955 of these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3305. Surveillance Room And Gaming Board's Controlled Space Requirements

A. There shall be for the exclusive use of Division Agents and for the use by employees of the Casino Gaming

Operation, rooms at the Casino for monitoring and recording purposes. The room for the exclusive use of the Board, Division, and their representatives shall be designated the Gaming Board's Controlled Space. The room for the use of the employees of the Casino Gaming Operation shall be designated the Surveillance Room.

B. All equipment that is utilized to monitor or record must remain solely accessible to the Surveillance Room personnel and the Division and be exclusively for Casino Surveillance, except when such equipment is being repaired or replaced, unless otherwise Approved by the Division.

C. Employees of the Casino Gaming Operation assigned to monitoring duties in the Surveillance Room are prohibited from being employed in any other capacity by the Casino Operator while performing Surveillance duties. A Surveillance employee shall not be employed by the Casino in any other capacity after the employee leaves or is removed from the Surveillance position. An employee of the Casino Gaming Operation assigned to monitoring duties in the Surveillance Room shall also be prohibited from being employed simultaneously by another Licensed Casino.

D. The interior of the Gaming Board's Controlled Space and the Surveillance Room shall not be visible to the public.

E. The Surveillance System must be specifically Approved by the Division, in its sole discretion, prior to Casino operations becoming active and shall be reviewed on an ongoing basis. Each room shall have appropriate switching capabilities to insure that all Surveillance cameras are accessible to monitors in both rooms. The equipment in the Gaming Board's Controlled Space must be able to monitor and record, without being over ridden, anything visible by monitor to employees of the Casino. The Gaming Board's Controlled Space will be equipped with two stations with switching capabilities and a video printer with capabilities outlined in Section 3301(A)(5) of these Regulations.

F. Agents of the Division, upon presentation of proper Division credentials, shall be provided immediate access to the Surveillance Room and other Surveillance areas upon request. In addition, Agents are to be provided, upon request, copies of recorded videotapes of activities as well as copies of any images produced on a video printer. The Division shall have absolute, unfettered access to the Surveillance Room at all times and the Division shall have the right to take control of said room.

G. Consistent with Sections 7.2 and 9.26 of the Casino Operating Contract, the Gaming Board's Controlled Space shall be furnished with all necessary furniture and fixtures as specified by the Division and be equipped with a security radio, house telephone and shall house a dedicated computer which provides computer accessibility to Division Agents to review, monitor and record data identical to that specified in Section 4333 of these Regulations.

H. The staffing of the Surveillance Room is a part of the Surveillance System and the staffing plan must be Approved by the Division. The Supervisor reserves the right to require additional Surveillance personnel should he determine that an inadequacy of Surveillance monitoring exist. Failure to comply with the Division orders regarding this Section shall constitute an administrative violation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3307. Segregated Telephone Communication

A. A segregated telephone communication system shall be provided for use by Division Agents in the Gaming Board's Controlled Space.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3309. Surveillance Logs

A. The Casino Operator shall be required to maintain Surveillance logs Approved by the Division. The logs shall be maintained by Surveillance Room personnel in the Surveillance Room. The Division shall have access at all times to the logs. A log entry shall be made in the Surveillance logs of each Surveillance activity. Each log entry shall include the following:

1. all Persons entering and exiting the Surveillance Room shall be entered in an entrance log. Casino personnel that access the Surveillance Room through the use of a magnetic stripe access card, or other similar device, are not required to make an entry in the entrance log provided they enter and exit using the access card;

2. summary information, including date, time and duration, of each the Surveillance activity in an activity log;

3. record of any equipment or camera malfunctions in an equipment malfunction log;

4. description of any unusual events occurring shall be recorded in an activity log;

5. any additional information as required by the Division.

B. The Surveillance logs required by this Section shall be retained for a period of (5) years and stored by month and year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3311. Storage And Retrieval

A. All videotape recordings shall be retained for at least seven (7) days, unless these Regulations provide otherwise, and shall be listed on a log by Surveillance personnel with the date, times, and identification of the Person monitoring or changing the tape in the recorder. Original videotape recordings will be released to the Division upon demand. The tape shall be preserved until the Division notifies the Casino Operator that it is no longer needed.

B. Any videotape recording of illegal or suspected illegal activity shall, upon completion of the tape, be removed from the recorder and etched with date, time and identity of Surveillance personnel. The videotape shall be placed in a separate, secure area and notification given to the Division. The tape shall be preserved until the Division notifies the Casino Operator that it is no longer needed.

C. All videotape recordings relating to the following shall be retained in a secure area Approved by the Division for at least thirty (30) days unless otherwise Approved by the Division and shall be listed on a log maintained by Surveillance personnel:

1. all count room areas;

2. the vault area; and

3. all credit and fill slip confirmation recordings.

D. All videotape recordings relating to the following shall be retained in a secure area Approved by the Division for at least forty-five (45) days and shall be listed on a log maintained by Surveillance personnel:

1. com-check transactions;
2. check cashing transactions.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3315. Maintenance and Testing

A. All Surveillance equipment shall be subject to impromptu testing of minimum standards of resolution and operation by the Division.

B. The Division shall be notified without delay upon the malfunction of Surveillance equipment.

C. Any malfunction of Surveillance equipment shall require the immediate replacement or repair of the faulty unit. Immediate replacement or repair shall mean seventy-two (72) hours, unless otherwise Approved by the Division.

D. Pending immediate replacement or repair, live monitoring must be provided by Casino security personnel, unless the Division is satisfied that alternative surveillance is adequate. If immediate replacement or repair of Surveillance equipment monitoring a Game or Games is not possible, and there is no (adequate) alternative surveillance coverage written Division Approval must be obtained prior to the Game or Games continuing.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3317. Surveillance System Compliance

A. The Casino Operator shall have a continuing duty to review its Surveillance System plan to ensure the Surveillance System plan remains in compliance with the Act and the Division's Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 35. Patron Disputes

§3501. Casino Operator or Casino Manager Duty to

Notify Division of Patron Dispute

A. Whenever the Casino Operator refuses to pay winnings claimed by a Patron and the Patron and the Casino Operator are unable to resolve the dispute, the Casino Operator shall notify the Division in writing of the dispute within seven days of the Casino Operator being notified, in writing, that the dispute remains outstanding. Such notice shall identify the parties involved in the dispute, and shall state all known relevant facts regarding the dispute.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3502. Patron Dispute Form

A. Whenever the Casino Operator and Patron are unable to resolve a dispute regarding the payment of winnings, the Casino Operator shall provide the Patron a *Patron Dispute Form* supplied by or Approved by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 37. List of Excluded Persons

§3701. Definitions and Contents of the List

A. The following words and terms, when used in this Chapter, shall have the following meanings unless the context clearly indicates otherwise.

Candidate any Person whom the Division believes should be placed on the Exclusion List pursuant to these Regulations.

Career or Professional Offender any Person whose behavior is pursued in an occupational manner or context for the purpose of economic gain, utilizing such methods as are deemed criminal violations of the public policy of this state.

Cheat any Person whose act or acts in any jurisdiction would constitute *cheating* as defined in La. R.S. 27:264.

Excluded Person any Person who has been placed on the Exclusion List by the Division and who has failed to timely request a hearing or who remains on the list after a final determination.

Inimical to the Interests of the State of Louisiana or of Casino Gaming adverse to the public confidence and trust in the credibility, integrity and stability of Casino Gaming Operations and in the regulatory process created by the Casino Act.

List or Exclusion List a list or lists which contain identities of Persons who are excluded from any Licensed Gaming Operation pursuant to the Act..

Occupational Manner or Context the systematic planning, administration, management, or execution of an activity for financial gain.

B. Contents of the List. The following information shall be provided for each Excluded Person:

1. the full name of the Person and any known 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 physical characteristics that may assist in identifying the Person;
3. the date of birth of the Person;
4. the date of the order mandating exclusion of the Person;
5. a photograph of the Person, if available and the date thereof; and
6. the Person's occupation and his current home and business address.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3703. Maintenance and Distribution of the List

A. The Division shall maintain a list of Persons to be excluded or ejected from the Casino.

B. The list shall be open to public inspection.

C. The list shall be distributed by the Division to the Casino Operator, Casino Manager, Each Riverboat Licensee, each Manufacturer and Supplier holding a Permit, and each Person holding a racehorse Wagering Permit, who shall acknowledge receipt of the list in writing.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3705. Duty of Casino Operators, Casino Manager and Permittee to Exclude

A. Whenever an Excluded Person enters or attempts to enter the Casino pursuant to the act or other premises operated pursuant to a Permit issued pursuant to the Act, and is recognized by the Casino Operator, Casino Manager or Permittee or his agents or employees, the Casino Operator, Casino Manager or Permittee and his agents and employees shall:

1. immediately notify the Division of the presence of the Excluded Person; and
2. require such Excluded Person to not enter the Designated Gaming Area and leave at the next earliest opportunity. The Division may impose sanctions as provided in Chapter 41 on the Casino Operator, Casino Manager or Permittee under this Act if the Casino Operator, Casino Manager or Permittee knowingly fails to exclude from the Casino a Person placed on the list by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3706. Prohibited Contact with Persons on Exclusion List

A. The Casino Operator and Casino Manager shall:

1. not solicit by mail, by phone, in person or any other direct means any Person named on the Exclusion List (voluntary or otherwise);
2. not extend credit to any Person named on the Exclusion List (voluntary or otherwise).

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3707. Standards for Exclusion

A. A Person shall not be placed on the list based on the individual's race, color, creed, national origin, or sex. The Division must apply the standards set forth in La. R.S. 27:265(C)(1-3) of the Act in determining whether a Person should be a candidate for the list of Excluded Persons. Any one of the criteria is sufficient to justify naming the individual on the list, and any of the criteria is deemed satisfied if such Person:

1. has been convicted of a Gaming crime as defined in the Act;
2. has performed any act or has a notorious or unsavory reputation that would adversely affect public confidence and trust in Gaming, including, but not limited to, being identified with criminal activities in published reports of various Federal and State Legislative and Executive bodies that have inquired into criminal activities. Such bodies shall include, but not be limited to, the following:
 - a. California Crime Commission;
 - b. Chicago Crime Commission;
 - c. McClellan Committee (Senate Subcommittee on Investigation);
 - d. New York Waterfront Commission;
 - e. Pennsylvania Crime Commission Report;
 - f. Senate Permanent Subcommittee on Investigations;

g. State of Colorado Organized Crime Strike Force; or

- h. President's Commission on Organized Crime;
3. has been named on any valid and current Exclusion List from another jurisdiction in the United States or foreign country;
4. has been convicted of cheating as defined in La.R.S. 27:264 of the Act or has been convicted of cheating in any other jurisdiction;
5. has been convicted of any crime related to the integrity of Gaming Operations or a crime of moral turpitude.
6. violation or conspiracy to violate the Provisions of the Act or the Rules and Regulations of the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3709. Voluntary Exclusion by Request

A. Any individual may request exclusion due to reasons as provided by La.R.S. 27:265(D) of the Act by providing evidence thereof satisfactory to the Division and by voluntarily entering into a written agreement with the Division whereby the Supervisor is asked and authorized to notify the Casino Operator of the request. Such Person shall be named on a separate list designated *requested exclusion* and shall cooperate with the Casino Operator to assist in future exclusion consistent with §3705 of these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3711. Notice and Opportunity to be Heard

A. Upon a determination by the Division that one or more of the standards for being named on the list are satisfied, such Person shall be deemed a Candidate and the Board shall serve notice of Exclusion upon such Person by personal service, certified mail to the last known address of such Person, or by daily publication for one (1) week in one of the principal newspapers published in the parish of the Person's last known address. The notice shall:

1. identify the Candidate by name, including aliases, and last known address;
2. specify the nature and scope of the circumstances or reasons for such Person's candidacy;
3. inform the Candidate of his right to request a hearing to review the decision of the Division in the same manner as is provided for hearings on denials of Permits;
4. inform the Candidate that the failure to timely request a hearing shall result in the decision becoming final and a waiver of any further review.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3713. Effect of Notice

A. A Person named in a notice of Exclusion is prohibited from further contact of any kind with the Landbased Casino or any Riverboat Gaming Licensee in Louisiana unless and until a determination is made by the Hearing Officer designated by the Board at a hearing requested by the Candidate that the Candidate should not be so excluded. If the Hearing Officer determines at a requested hearing that

the Candidate should be excluded, the Exclusion shall be final and shall continue pending any appeal of the decision. The Candidate has the burden of proving he does not meet the criteria for Exclusion.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3721. Effect of a Finding that a Candidate Should Not Be Excluded

A. If the Hearing Officer at a hearing requested by a Candidate determines the Candidate should not be excluded, or if the Hearing Officer's decision to exclude the Person is reversed on appeal, the Candidate's name shall be removed from the list and his Exclusion shall be terminated as of the date of the action taken by the Hearing Officer, Board or court.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 39. Public and Confidential Records

§3901. Public Records

A. Public Records shall be open to public inspection and shall include, but not be limited to, the following:

1. all public hearings conducted by the Board and/or the Division, or its Agents, including exhibits entered in the Public Record as public documents at those meetings or hearings;

2. a list of all Applications made under the Act and the record of all formal Actions taken with respect to such Applications by the Board and/or the Division with the limitations mandated by La. R.S. 27:21(A)(2)(A-H);

3. the Board and/or the Division files on the enactment, amendment, or repeal of Regulations;

4. the Act and the Regulations promulgated thereunder;

5. licenses and Permits;

6. reports, correspondence and other documents of the Board and/or the Division specifically prepared for public distribution.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3903. Confidential Records

A. General. The Casino Act, specifically La. R.S. 27:21-22, and 237, provide that Records of the Board and Division which relate to certain matters or which consist of certain documents are exempted from public inspection. It is the intent of this Subsection to further define and amplify those matters and categories of documents which are considered confidential. This Subsection is to be interpreted to favor the following:

1. the preservation of the integrity of Gaming Activities and the control thereof;

2. the Security of Gaming;

3. the safety of the public;

4. the privacy interests of individuals; and

5. the maintenance of legal privileges, particularly those which are designed to encourage the flow of accurate information to and among regulatory bodies, and to protect the safety of confidential informants.

B. Definitions. With regard to their Application under La.R.S. 27:21, 22, and 237 and related purposes, the following terms shall have the meanings set forth herein below, unless the context clearly expands their meanings:

Division Security means and refers to any matter which relates to or has an impact on: the physical safety of personnel; the effective investigatory and regulatory functions of the Division; the operational plans, policies, and techniques of the Division; the types and uses of any equipment utilized by the Division; the design, components, layout, structure, and similar features, of facilities used, occupied, or overseen by the Division; or any other aspect of the functions of the Division, the public disclosure of which might tend to compromise safety or the effective enforcement of law by the Division.

a. Examples of Division Security include: the types and locations of Records maintained by the Division; buildings, and offices; staffing schedules and arrangements; and lists or descriptions of equipment.

Security Techniques, Procedures, or Practices-of an Applicant, Licensee, or Permittee means, includes and refers to any matter which relates to or has an impact on: the physical safety of officers, an Applicant, Licensee, or Permittee; the integrity of its operational methods and Internal Control systems; the design and description of all equipment, including its accounting, Gaming, and criminal detection and alarm equipment; the design, components, layout, structure, and similar features, of facilities used, occupied, or overseen by it; or any other aspect of its operations, the public disclosure of which might tend to compromise personal safety or the integrity of Gaming.

a. examples of Security techniques, procedures, or practices include: lists of employees or employment positions or functions; security plans for vessels, buildings, and offices; staffing schedules and arrangements; and lists or descriptions of equipment.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3905. Sealing of Documents

A. The Hearing Officer may allow any Person interested in a contested case brought before, by, or against the Board, to file a document or portions of a document with the Board under seal if:

1. the document or portions of the document contain information that is confidential pursuant to the Act or these Regulations;

2. the Person makes a request in writing or on the Record of a Public Hearing to allow the filing of the document or portions of the document under seal, setting forth the reasons that such filing under seal should be permitted;

3. the Person requesting the filing of the document or portions of the document under seal has, to the extent practicable, segregated the portions of the document containing confidential information from the remainder of the document so that no more of the document than is necessary is filed under seal; and

4. the Hearing Officer finds that the public interest in maintaining the confidentiality of the information outweighs the public interest in making the information public.

B. The Hearing Officer may not allow the filing of the following documents under seal:

1. complaints for enforcement Action;
2. answers to complaints for enforcement Action.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3907. Access to Public Records

A. A request for access to Public Records must be made to a custodian of Records of the Board. The custodian of Records shall require payment of any duplication or certification fees prior to release of copies of the Records. As soon as practicable after payment of the required fees, the custodian of records shall provide copies of all Public Records requested.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3909. Access to Confidential Records

A. The Board may only release Confidential Records if ordered to do so by a court of competent jurisdiction or if the agency requesting the Confidential Records is a Gaming regulatory agency or a law enforcement agency and if such agency has executed an information sharing agreement with the Board.

B. All requests for access to Confidential Records must be made in writing to the Board.

C. Pursuant to a written request, as described in Paragraph (2), from any duly authorized Agent of any agency of the United States Government, any state, or any political subdivision of this state which has executed the requisite information sharing agreement with the Board, the Board may release Confidential Records to the agency requesting them, except as otherwise provided in Subsection (D), upon a finding by the Board that the release is consistent with the policy of this State as reflected in the Act.

D. Pursuant to a written request, as described in Subsection B, the Board may release Confidential Records to a representative of the agency requesting them.

E. The Board may require any party receiving confidential information to agree in writing or on the Record of any hearing to any limitations that the Board deems necessary prior to giving that party the confidential information.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§3911. Unauthorized Procurement of Records

Prohibited

A. An Applicant, Permittee, or other Person shall not, directly or indirectly, procure or attempt to procure from the Division or Board information or Records that are not made available by proper authority. Any violation of this Regulation constitutes reasonable cause for enforcement action or to deny any Application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 41. Enforcement Actions

§4101. General Provisions

A. Enforcement Actions are those actions deemed necessary to carry out the intent of the Act or Regulations, including but not limited to sanctioning, conditioning, limiting, suspending or revoking a Permit and the issuance of Emergency Orders.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4103. Enforcement Actions of The Board

A. Pursuant to La.R.S. 27:15(B)(3)(b)(iii) and (B)(8), 27:24(A)(4), and 27:233(B), if the Board, after investigation by the Division, is satisfied that a License or Permit should be limited, conditioned, suspended or revoked, or that other action is necessary or appropriate to carry out the provisions of the Act or Regulations, the Chairman shall issue an order on behalf of the Board:

1. limiting or restricting the operations of the Casino or a Permit; or
2. suspending or revoking the operations of the Casino or a Permit; or

3. directing Actions deemed necessary to carry out the intent of the Act or Regulations, including, but not limited to, requiring the Casino Operator to keep an individual from the Official Gaming Establishment, prohibiting payment for services rendered, prohibiting payment of profits, income, or accruals, or investment in the Casino or its operations. Such order may be an Emergency Order;

4. imposing a civil penalty on each person, or entity or both, who is permitted, Approved, registered or otherwise found suitable pursuant to the Act and these Regulations, of not more than \$1,000,000.00 per violation of the Act or these Regulations. The actual amount of the civil penalty shall be determined by the Board after considering the following factors.

- a. *Economic Benefit of Noncompliance* the extent of the economic benefit obtained from the noncompliance that gave rise to a notice of violation, as well as the likelihood of escaping detection.

- i. The Board may consider the documented benefits derived from the noncompliance, or may rely on reasonable assumptions regarding such benefits.

- ii. If noncompliance continues for more than one day, the Board may treat each daily illegal act or omission as a separate violation.

- b. *History of Violations* each violation shall be considered whether or not it led to a civil fine or penalty.

- c. *Negligence or Willfulness* the degree of fault in causing or failing to correct the violation, either through act or omission.

- d. *Good Faith* the Board may reduce the amount of a civil fine based on the degree of good faith in attempting to achieve rapid compliance after notification of the violation.

- e. Other considerations deemed appropriate by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4105. Emergency Orders Created

A. In order to protect the public welfare, the Patrons of the Casino and safeguard the Interests of the State of Louisiana, these Regulations hereby establish orders to enforce and /or supplement the Act and these Regulations. The orders established shall be *Emergency Orders*.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4107. Emergency Orders

A. An Emergency Order, pursuant to La. R.S. 27:15(B)(8), may only be issued by the Chairman when circumstances necessitate instantaneous Action to protect the public welfare, the interests of the State of Louisiana or the Patrons of the Casino. The Chairman is also empowered to issue Emergency Orders when extraordinary situations require immediate Action.

B. An Emergency Order must be in writing and signed by the Chairman, setting forth the grounds upon which it is issued, including a statement of facts constituting the alleged emergency necessitating such Action.

C. An Emergency Order is effective immediately upon issuance and service upon the Permittee or Casino. Service of the order may be made by hand delivery, facsimile or certified mail to the Casino Operator, Permittee or Permittees Agent.

D. An Emergency Order is subject to appeal in the manner set forth in this Chapter.

E. An Emergency Order will expire in 10 days unless a shorter period is specified.

F. A violator of an Emergency Order is subject to sanctions as set forth in these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4111. Appeal

A. All appeals shall be conducted pursuant to LAC 42:III.103.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4113. Grounds for Disciplinary Action Against the Casino Operator, Casino Manager or Affiliates

A. The Board and/or Division deems any activity on the part of the Casino Operator, Casino Manager or Affiliates, and their agents or employees, as well as all Permittees, that is inimicable to the public health, safety, morals, good order and general welfare of the people of the State of Louisiana, or that would reflect or tend to reflect negatively upon the State of Louisiana or the gaming industry, to be an unsuitable method of operation and shall constitute grounds for disciplinary Action by the Board in accordance with the Act and these Regulations. Without limiting the generality of the foregoing, the following Acts or omissions may be determined to be unsuitable methods of operation:

1. failing to disclose, misstating or otherwise misleading the Board and/or Division with respect to any material fact contained in an Application;

2. committing, attempting to commit or conspiring to commit any Acts or omissions prohibited by the Act or any provision of these Regulations;

3. failing to maintain suitability as provided in the Act and these Regulations.

4. failure to exercise discretion and sound judgement to prevent incidents which might reflect on the repute of the State of Louisiana and the Act as a detriment to the development of the Gaming industry;

5. knowingly permitting Persons who are visibly intoxicated to participate in Gaming activity;

6. complimentary service of intoxicating beverages in the Casino area to Persons visibly intoxicated;

7. failure to conduct advertising and public relations activities in accordance with decency, dignity, good taste, honesty and inoffensiveness;

8. knowingly catering to, assisting, employing or associating with, either socially, or in business affairs, Persons of notorious or unsavory reputation or Persons who have extensive police records, or 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 supportive of subversive movements;

9. the employing either directly or through a contract, or any other means, of any firm or individual in any capacity where the repute of the State of Louisiana or the Gaming industry is liable to be damaged because of the unsuitability of the firm or individual or because of the unethical methods of operation of the firm or individual;

10. employing in a position for which the individual could be required to be a Permitted employee or Key Management or Key Gaming Employee pursuant to these Regulations, any Person who has been denied a Permit or Approval on the grounds of unsuitability or has failed or refused to apply for a Permit as an employee, Key Management or Key Gaming Employee as requested by the Board;

11. employing any Person who has been found guilty of cheating or using a Cheating Device in connection with any Game, whether as a Permittee or Player;

12. employing any Person whose conduct resulted in the revocation or suspension of his Permit unless such Permit was reinstated or otherwise reissued;

13. failure to comply with, or make provision for compliance with, all applicable federal, state and local laws and Regulations including, without limiting the generality of the foregoing, payment of all fees and taxes and compliance with all procedures and forms prescribed by the Secretary of the Department of Revenue and Taxation. The Board, in the exercise of its sound discretion, can make its own determination of whether or not the Person has failed to comply with the aforementioned, but such determination shall make use of the established precedents in interpreting language of the applicable statutes;

14. possessing or permitting to remain in or upon the premises of the Official Gaming Establishment any cards, dice, or mechanical device of which not in compliance with, or was obtained in a manner that was not in compliance with the Act or the Regulations;

15. conducting, carrying on, operating or dealing with any Cheating Device on the premises;

16. failure to conduct Gaming Operations in accordance with the proper standards of custom, decorum and decency, or Permit any type of conduct in the Official Gaming Establishment which reflects or tends to reflect negatively on the repute of the State of Louisiana;

17. failure to have an employee of the Casino Operator or Casino Manager on the premises to supervise any Game;

18. issuing credit to a Patron to enable the Patron to satisfy a debt owed to another Person;

19. denying any Board member or Representative or Division Agent, upon proper and lawful demand, access to, any portion or aspect of the Official Gaming Establishment;

20. failing to comply with any provision of these Regulations or the Casino Operator's Approved Internal Controls Systems, Approved Rules of Games, or any other order or Approval;

21. failing to take all reasonable steps necessary to prevent Persons under the age of twenty-one (21), unless otherwise permitted under applicable law, to:

a. play or be allowed to play any Game or Gaming Device at the Casino;

b. loiter or be permitted to loiter in or about any room, premises, or designated area where any Game or Gaming Device is located, operated or conducted at the Casino;

c. serve or be served, consume or be allowed to consume any alcoholic beverage at the Casino.

22. failing to draft and implement policies and procedures designed to satisfy the requirements of subsection 21 above.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4115. Disciplinary Action Against Employees and Agents

A. The Board may take disciplinary action against any employee or Agent of the Casino Operator or Casino Manager who:

1. failed to disclose, misstated or otherwise misled the Board with respect to any material fact contained in his Application for a Permit or finding of suitability;

2. committed, attempted to commit or conspired to commit any Acts or omissions prohibited by the Casino Act or any provision of these Regulations;

3. knowingly permitted to remain in play, at the Official Gaming Establishment, any Cheating Device;

4. concealed or refused to disclose any material fact in any investigation by the Board or Division;

5. committed, attempted to commit, or conspired to commit theft or embezzlement against the Casino Operator;

6. been convicted of any Gaming related offense in any Gaming Jurisdiction;

7. accepted employment without prior Board of Division Approval in a position for which he is required to be Permitted under the Act or these Regulations, after having been denied a Permit for a reason involving suitability or after failing to apply for a Permit upon being requested to do so by the Board or Division;

8. been refused the issuance or renewal or had suspended or revoked any Gaming License or Permit, or manufacturing and distribution Permit, or any pari-mutual Permit in any other Gaming Jurisdiction;

9. been prohibited, by governmental Action, from being on the premises of any Gaming establishment in Louisiana or any other Gaming Jurisdiction; or

10. been determined in the sole discretion of the Board, to be a Person whose prior activities, criminal record, reputation, habits, and associations pose a threat to the public Interest to this State or, create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of Gaming Operation at the Official Gaming Establishment;

11. failed to maintain suitability as provided in the Act and these Regulations;

12. failed to comply with any provision of these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4117. Gaming By Owners, Directors, Officers And Key Employees

A. Except as provided in Subsection B, no officer, director, owner or Key Management or Key Gaming Employee of the Casino Operator, shall play or place a wager at any Game or Slot Machine which is exposed to the public for play or Wagering by the Casino Operator or at any establishment, such as a riverboat Gaming Operation, which is owned or operated in whole or in part by the Casino Operator in the State of Louisiana.

B. This prohibition shall not apply to the playing of or the Wagering on poker or panguingui.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4119. Disciplinary Action Against Manufacturers, Distributors and Other Vendors

A. The Board may take disciplinary Action against any manufacturer, distributor or other vendor of Gaming Devices or Gaming Supplies and any non Gaming vendor if the vendor has:

1. failed to disclose, misstated or otherwise misled the Board with respect to any material fact contained in his Application for a Permit, registration or Finding of suitability;

2. committed, attempted to commit or conspired to commit any acts or omissions prohibited by the Act or any provision of these Regulations;

3. concealed or refused to disclose any material fact in any investigation by the Board or Division;

4. committed, attempted to commit, or conspired to commit theft or embezzlement against the Casino Operator;

5. been convicted of any Gaming related offense in any Gaming Jurisdiction;

6. conducted business with the Casino Operator prior to being Permitted under the Casino Act or these Regulations. This prohibition shall not apply to vendors not required to be permitted under the Act or these Regulations.

7. been refused the issuance or renewal or had suspended or revoked any Gaming License or Permit, or manufacturing and distribution Permit, or any pari-mutual Permit in any other Gaming Jurisdiction;

8. been determined in the sole discretion of the Board, to be a Person whose prior activities, criminal Record, reputation, habits and associations pose a threat to the public interest to this State or, create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of Gaming Operations at the Official Gaming Establishment;

9. failed to maintain suitability as provided in the Act and these Regulations;

10. failed to comply with any provision of these Regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4121. Criminal Conviction As Grounds For Disciplinary Action

A. The Board may discipline any Person found suitable, including revoking or suspending his Permit, registration, Approval or finding of suitability, if the Person, or if the Person is a corporation or partnership, any Person owning 5% or more interest in the profits or losses of such entity, is convicted of a crime, even though the convicted Person's post-conviction rights and remedies have not been exhausted, if the crime or conviction discredits or tends to discredit the State of Louisiana of the Gaming industry.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4123. Commission of Gaming Crimes

A. If the holder of a Permit is charged with, or convicted of any prohibited act or gaming offense as identified in the Act, the Permit shall be suspended and/or revoked. The Permit of a Person convicted of a prohibited act or gaming offense shall not be renewed unless the conviction is overturned by an appellate court.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 43. Specifications for Gaming Equipment and Electronic Devices

§4301. Approval of Chips and Tokens; Applications and Procedures

A. The Casino Operator shall not issue any Chips or Tokens for use in its Gaming Establishment, or sell or redeem any such Chips or Tokens, unless the Chips or Tokens have been Approved in writing by the Division. The Casino Operator shall not issue any Chips or Tokens for use in its Gaming Establishment, or sell or redeem any such Chips or Tokens, that are modifications of Chips or Tokens previously Approved by the Division, unless the modifications have been Approved in writing by the Division.

B. Applications for Approval of Chips, Tokens, and modifications to previously Approved Chips or Tokens must be made, processed, and determined in such manner and using such forms as the Division may prescribe. Only the

Casino Operator and suppliers may apply for such Approval. Each Application must include, in addition to such other items or information as the Division may require;

1. an exact drawing, in color or in black and white, of each side and the edge of the proposed Chip or Token, drawn to actual size or drawn to larger than actual size and in scale, and 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 Casino Operator's intended use for the proposed Chips or Tokens.

C. If, after receiving and reviewing the items and information described in paragraph (2), the Division is satisfied that the proposed Chips or Tokens conform with the requirements of this Section, the Division shall notify the Casino Operator in writing and shall request, and the Casino Operator shall thereupon submit, a sample of the proposed Chips or Tokens in final, manufactured form. If the Division is satisfied that the sample conforms with the requirements of this Regulation and with the information submitted with the Casino Operator's Application, the Division shall Approve the proposed Chips or Tokens and notify the Casino Operator in writing. As a condition of Approval of Chips or Tokens issued for use at the Casino Operator's race book, or specific table or counter Game, the Division may prohibit the Casino Operator from using the Chips or Tokens other than at the book or specified Game. The Division may retain the sample Chips and Tokens submitted pursuant to this paragraph.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4303. Specifications for Chips and Tokens

A. Chips and Tokens must be designed, manufactured, and constructed in compliance with all applicable statutes, Regulations, and policies of the United States, Louisiana, and other states, and so as to prevent counterfeiting of the Chips and Tokens to the extent reasonably possible. Chips and Tokens must not resemble any current or past coinage of the United States or any other nation.

B. In addition to such other specifications as the Division may Approve:

1. the name of the Casino must be inscribed on each side of each Chip and Token, and the city or other locality and the state where the establishment is located must be inscribed on at least one side of each Chip and Token;

2. the value of the Chip or Token must be inscribed on each side of each Chip and Token, other than Chips used exclusively at roulette;

3. the manufacturer's name or a distinctive logo or other mark identifying the manufacturer must be inscribed on at least one side of each Chip and Token; and

4. each Chip must be designed so that when stacked with Chips and Tokens of other denominations and viewed on closed circuit, black and white televisions, the denominations of the Chip can be distinguished from that of the other Chips and Tokens in the stack.

C. The names of the city or other locality and the state where the establishment is located must be inscribed on at

least one side of each Chip and Token unless the Division finds, after Application by the Casino Operator, that such an inscription is not necessary because:

1. the name of the issuing establishment is unique to one readily identifiable establishment in all Gaming Jurisdictions; or

2. the inclusion of the city or other locality and the state is not necessary or beneficial for any regulatory purpose relating to the Applicant.

D. Any Application submitted pursuant to paragraph (C) above must be signed by an officer of the Applicant and be on a form prescribed by the Division.

E. Any Approval by the Division for the deletion of such an inscription shall be in writing and be limited to that period of time in which the name of the Casino Operator is limited to one establishment and conditioned so that it may be withdrawn in the future if the Division determines that the deletion results in confusion with the Chips or Tokens of another establishment or if such inclusion is deemed necessary or beneficial for any regulatory purpose.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4305. Specifications for Chips

A. Unless the Division Approves otherwise, Chips must be disk-shaped, must be .130 inch thick, and must have a diameter of:

1. 1.55 inches for Chips used at Games other than Baccarat;

2. 1.55 inches or 1.6875 inches for Chips used at Baccarat; and

3. 1.6875 inches for Chips used exclusively for other counter Games.

B. Unless the Division Approves otherwise, each denomination of value Chip(s) shall have a different primary color from every other denomination of value Chip(s). Unless the Division Approves otherwise, the primary color to be utilized by the Casino Operator for each denomination of value Chip(s) shall be:

1. \$1 white;
2. \$2 pink;
3. \$5 red;
4. \$25 green;
5. \$100 black;
6. \$500 purple; or
7. \$1000 fire orange.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4307. Specifications for Tokens

A. Unless the Division approves otherwise, Tokens must be disk-shaped and must measure as follows:

1. twenty five cent Tokens must be from .983 through .989 inches in diameter, from .064 through .070 inches thick, and if the Token has reeds or serrations on its edges, the number of reeds or serrations must not exceed 100;

2. one dollar denomination Tokens must be from 1.459 through 1.474 inches in diameter, 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;

3. five dollar denomination Tokens must be 1.75 inches in diameter, from .115 through .135 inch thick, and, if the Token has reeds or serrations on its edges, the number of reeds or serrations must not exceed 175;

4. twenty-five dollar denomination Tokens must be larger than 1.75 inches but no larger than 1.95 inches in diameter, except that such Tokens may be 1.654 inches (42 millimeters) in diameter if made of 99.9 percent pure silver, must be 0.105 inch thick, and, if the Token has reeds or serrations on its edges, the number of reeds or serrations must not exceed 200; and

5. tokens of other denominations must have such measurements and edge reeds or serrations as the Division may Approve or require.

B. Tokens must not be manufactured from material possessing sufficient magnetic properties so as to be accepted by a coin mechanism, other than that of an Electronic Gaming Device;

C. Tokens must 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.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4309. Use of Chips and Tokens

A. The Casino Operator that uses Chips or Tokens at its Gaming establishment shall:

1. comply with all applicable statutes, Regulations, and policies of the State of Louisiana and of the United States pertaining to Chips or Tokens;

2. sell Chips and Tokens only to Patrons of its Gaming Establishment and only at their request;

3. promptly redeem its own Chips and Tokens from its Patrons;

4. post conspicuous signs at its establishment notifying Patrons that Federal law prohibits the use of the Casino Operator's Tokens, and that State law prohibits the use of the Casino Operator's Chips, outside the establishment for any monetary purpose whatever; and 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.

B. The Casino Operator shall not accept Chips or Tokens as payment for any goods or services offered at the Casino Operator's Gaming Establishment with the exception of the specific use for which the Chips or Tokens were issued, and shall not give Chips or Tokens as change in any other non-Gaming transaction.

C. The Casino Operator shall not redeem its Chips or Tokens if presented by a Person who the Casino Operator knows or reasonably should know is not a Patron of its Gaming Establishment, except that the Casino Operator shall promptly redeem its Chips and Tokens if presented by:

1. another Licensee who represents that it redeemed the Chips and Tokens from its Patrons or received them unknowingly, inadvertently, or unavoidably;

2. an employee of the Casino Operator who presents the Chips and Tokens in the normal course of employment; or

3. an employee of the Casino Operator who received the Chip and or Token as gratuity or tip.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4311. Receipt of Gaming Chips or Tokens from Manufacturer or Supplier

A. When Chips or Tokens are received from the Manufacturer or Supplier thereof, they shall be opened and checked by at least two (2) employees of the Casino Operator from different departments. Any deviation between the invoice accompanying the Chips or Tokens and the actual Chips or Tokens received or any defects found in such Chips or Tokens shall be reported promptly to the Division. An Agent of the Division will be notified of the time of delivery of any Chips or Tokens to Casino Operator.

B. After checking the Chips received, the Casino Operator shall cause to be reported in a Chip inventory ledger the denomination of the Chips received, the number of each denomination of Chips received, the number and description of all non-value Chips received, the date of such receipt and the signature of the individuals who checked such Chips.

C. If any of the Chips received are to be held in reserve and not utilized either at the Gaming tables or at a cashier's cage, they shall be stored in a separate locked compartment either in the vault or in a cashier's cage and shall be recorded in the Chip inventory ledger as reserve Chips.

D. Any Chips received that are part of the secondary set of Chips of the Casino Operator shall be recorded in the chip inventory ledger as such and shall be stored in a locked compartment in the Casino vault separate from the reserve Chips.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4313. Inventory of Chips

A. Chips shall be taken from or returned to either the reserve Chip inventory or the secondary set of Chips in the presence of at least two (2) individuals. The denominations, number and amount of Chips so taken or returned shall be recorded in the Chip inventory ledger together with the date and signatures of the individuals carrying out this process.

B. The Casino Operator shall, on a daily basis, compute and record the unredeemed liability for each denomination of Chips in circulation and cause the result of such inventory to be recorded in the Chip inventory ledger. On a monthly basis, the Casino Operator shall cause an inventory of Chips in reserve to be made and cause the result of such inventory to be recorded in the Chip inventory ledger. The procedures to be utilized to compute the unredeemed liability and to inventory Chips in circulation and reserve shall be submitted to the Division for Approval. A physical inventory of Chips in reserve shall be required annually if the inventory procedures incorporate the sealing of the locked compartment.

C. During non-gaming hours all Chips in the possession of the Casino Operator shall be stored in the Chip bank, in

the vault, or in a locked compartment in a cashier's cage except that Chips may be locked in a transparent compartment on Gaming tables provided that there is adequate Security as Approved by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4315. Redemption and Disposal of Discontinued Chips and Tokens

A. When the Casino Operator permanently removes from use or replaces Approved Chips or Tokens at its Gaming Establishment, or that ceases operating its Gaming Establishment, whether because of closure or sale of the establishment or any other reason, a plan must be prepared for redeeming discontinued Chips and Tokens that remain outstanding at the time of discontinuance. The Casino Operator must submit the plan in writing to the Division not later than 30 days before the proposed removal, replacement, sale, or closure, unless the closure or other cause for discontinuance of the Chips or Tokens cannot reasonably be anticipated, in which event the Casino Operator must submit the plan as soon as reasonably practicable. The Division may Approve the plan or require reasonable modifications as a condition of Approval. Upon Approval of the plan, the Casino Operator shall implement the plan as Approved.

B. In addition to such other reasonable provision as the Division may Approve or require, the plan must provide for:

1. redemption of outstanding or discontinued Chips and Tokens, in accordance with this Subsection, for at least 120 days after the removal or replacement of the Chips or Tokens or for at least 120 days after operations cease, as the case may be, or for such longer or shorter period as the Division may for good cause Approve or require;

2. redemption of the Chips and Tokens at the premises of the Gaming Establishment or at such other location as the Division may Approve;

3. publication of notice of the discontinuance of the Chips and Tokens and of the redemption and the pertinent times and locations in at least two newspapers of general circulation in Louisiana at least twice during each week of the redemption period, subject to the Division'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 described in Subsection (B)(3) at the Gaming Establishment or other redemption location;

5. destruction or such other disposition of the discontinued Chips and Tokens as Approved by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4317. Destruction of Counterfeit Chips and Tokens

A. As used in this Subsection, *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.

B. Unless a court of competent jurisdiction orders otherwise in a particular case, the Casino shall destroy or otherwise dispose of counterfeit Chips and Tokens

discovered at its establishment in such manner as the Division may Approve or require.

C. Unless a court of competent jurisdiction orders otherwise in a particular case, the Casino Operator may dispose of coins of the United States or any other nation discovered to have been unlawfully used at its establishment by including them in their coin inventories or, in the case of foreign coins, by exchanging them for United States currency or coins and including same in their currency or coin inventories, or by disposing of them in any other lawful manner.

D. The Casino Operator shall record, in addition to such other information as the Division may require:

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 or Person at which or with whom the coins are exchanged; and,
4. the names of the Persons carrying out the destruction or other disposition on behalf of the Casino Operator.

E. The Casino Operator shall maintain each record required by this subsection for at least 5 years, unless the Division Approves or requires otherwise.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4318. Promotional and Tournament Chips and Tokens

A. As used in this Section, *Promotional Chip* means a Chip or Token-like object issued by the Casino Operator for use in promotions or tournaments at the Official Gaming Establishment.

B. Promotional Chips shall be designed, manufactured, Approved, and used in accordance with the provisions of these Regulations applicable to Chips and Tokens, except as follows:

1. Promotional Chips shall be of such shape and size and have such other specifications as the Division may Approve or require;
2. each side of each Promotional Chip shall conspicuously bear the inscription No Cash Value; and
3. Promotional Chips shall not be used, and the Casino Operator shall not permit their use in transactions other than the promotions or tournaments for which they are issued;

C. The provisions of these Regulations applicable to redemption and destruction do not apply to Promotional Chips.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4319. Approval and Specifications for Dice

A. Unless the Division Approves otherwise, each dice used by the Casino Operator in its Gaming Establishment must meet the following specifications:

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, or .625 of an inch on each side for Pow Gai Poker;

2. be manufactured to an accuracy tolerance of no greater than .0002 of an inch;

3. be transparent and made exclusively of cellulose except for the spots, name of the Casino and serial numbers or letters contained thereon;

4. have the surface of each of its sides perfectly flat and the spots contained in each side perfectly flush with the area surrounding them;

5. have all edges and corners perfectly square, that is forming perfect 90 degree angles;

6. have the texture and finish of each side exactly identical to the texture and finish of all other sides;

7. have its weight equally distributed throughout the cube and no side of the cube heavier or lighter than any other side of the cube;

8. 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;

9. 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;

10. have the name of the Casino in which the die is being used imprinted or impressed thereon;

11. 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 equal in weight to the weight of the cellulose drilled out and which will form a permanent bond with the cellulose cube; and

12. each spot shall extend into the cube exactly the same distance as every other spot extends into the cube to an accuracy tolerance of 0.004 of an inch.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4321. Dice; Receipt, Storage, Inspections and Removal From Use

A. When dice for use at the Casino are received from the Manufacturer or Supplier thereof, they shall immediately following their receipt be inspected by a member of the Security department and a Gaming Supervisor to assure that the seals on each box are intact, unbroken and free from tampering. Boxes that do not satisfy these criteria shall be inspected at this time to assure that the dice conform to Division standards and are completely in a condition to assure fair play. Boxes satisfying these criteria, together with boxes having unbroken, intact and untampered seals shall then be placed for storage in a locked cabinet or storage area. The cabinet or primary storage area shall be located in a secure, controlled area, the location and physical characteristics of which shall be Approved by the Division or its authorized designee prior to implementation. The secondary storage areas shall be located in secure, controlled areas, the location and physical characteristics of which shall

be Approved by the Division or its authorized designee prior to implementation. The primary and secondary storage areas will be used exclusively for the cards and dice.

B. The Casino Operator shall submit to the Division for Approval, procedures for:

1. A dice inventory system which shall include, at a minimum, the recordation of the following:
 - a. the balance of dice on hand;
 - b. the dice removed from storage;
 - c. the dice returned to storage or received from the manufacturer;
 - d. the date of the transaction; and
 - e. the signatures of the individuals involved.

2. A physical inventory of the dice at least once every three months;

a. this inventory shall be performed by an individual with no incompatible functions and shall be verified to the balance of dice on hand; and

b. any discrepancies shall immediately be reported to the Division.

c. the Casino Operator shall retain the work papers developed and utilized for a physical inventory of the dice for a period of three years commencing on the day of completion of the inventory.

3. Cancellation and marking techniques for dice removed from play.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4323. Approval and Specifications for Cards

A. Unless the Division approves otherwise, cards used by the Casino Operator in its Gaming Establishment must meet the following specifications:

1. Physical characteristics of the cards:

a. cards used for play shall be in decks of 52 cards each with each card identical in size and shape to every other card in such deck;

b. each deck shall be composed of four suits-diamonds, spades, clubs and hearts;

c. each suit shall be composed of 13 cards-ace, king, queen, jack, 10, 9, 8, 7, 6, 5, 4, 3, 2;

d. the backs of each card in the deck shall be identical and no card shall contain any marking, symbol or design that will enable a Person to know the identity of any element printed on the face of the card or that will in any way differentiate the back of that card from any other card in the deck;

e. the backs of all cards in the deck shall be designed so as to diminish as far as possible the ability of any Person to place concealed markings thereon;

f. the design to be placed on the backs of cards used by the Casino Operator shall be submitted to the Division for Approval prior to use of such cards in Gaming activity;

g. each deck of cards shall be packaged separately and shall contain a seal affixed to the opening of such package;

h. nothing in this section shall prohibit a Manufacturer from Manufacturing decks of cards with jokers contained therein provided such jokers are not used by the Casino Operator in the play of the Games.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4325. Cards; Receipt, Storage, Inspections and Removal From Use

A. When decks of cards are received for use in the Casino from the Manufacturer or Supplier thereof, they shall be placed for storage in a locked cabinet area by at least two individuals, one of whom shall be the Gaming Supervisor and the other from the Security department. The cabinet or primary storage area shall be located in a secure, controlled area, the location and physical characteristics of which shall be Approved by the Division or its authorized designee prior to implementation. Any secondary storage areas shall be located in secure, controlled areas, the location and physical characteristics of which shall be Approved by the Division or its authorized designee prior to implementation.

B. The Casino Operator shall submit to the Division for Approval, procedures for:

1. a card inventory system which shall include, at a minimum, the recordation of the following:

a. the balance of cards on hand;

b. the cards removed from storage;

c. the cards returned to storage or received from the Manufacturer;

d. the date of the transaction; and

e. the signatures of the individuals involved.

2. a physical inventory of the cards at least once every three months;

a. this inventory shall be performed by an individual with no incompatible functions and shall be verified to the balance of cards on hand required in (2)(a)(i) above;

b. any discrepancies shall immediately be reported to the Division;

c. the Casino Operator shall retain the work papers developed and utilized for a physical inventory of the cards for a period of three years commencing on the day of completion of the inventory.

3. cancellation and marking techniques for cards removed from play.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4327. Approval of Gaming Devices; Applications and Procedures; Manufacturers and Suppliers

A. A Manufacturer or Supplier shall not sell, lease or distribute Gaming Devices or Equipment in this State and the Casino Operator shall not offer Gaming Devices for play without first obtaining the requisite Permit or License and obtaining prior Approval by the Board for such Action. This Section shall not apply to those Manufacturers or Suppliers Licensed or Permitted to sell, lease or distribute Gaming Devices or Equipment in the state to an entity licensed under a provision of state law other than the Act when those Manufacturers or Suppliers are selling or distributing to such licensed entity. In the case of the distribution of Slot Machines there shall be a facility for the inspection of the Gaming Devices or another location for inspection, including the Casino, that is Approved by the Board.

B. Applications for Approval of a new Gaming Device must be made and processed in such manner and using such forms as the Division may prescribe. The Casino Operator may apply for Approval of a new Gaming Device. Each Application must include, in addition to such other items or information as the Division may require:

1. a complete, comprehensive, and technically accurate description and explanation in both technical and lay language of the manner in which the device operates, signed under penalty of perjury; and

2. a statement, under penalty of perjury, that to the best of the Applicant's knowledge, the Gaming Device meets the standards set forth in this Section.

C. No Game or Gaming Device other than those specifically authorized in the Act may be offered for play or played at the Casino, except that the Division may authorize the operation of progressive Electronic Gaming Devices as part of a network of separate Gaming Operations Permitted by the Board with an aggregate prize or prizes allowed, subject to conditions imposed by the Division. Approval must be obtained from the Board prior to changing, adding, or altering the Casino configuration once such configuration has received final Board Approval. For the purpose of this Section, altering the Casino configuration does not include the routine movement of Gaming Equipment for cleaning and/or maintenance purposes.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4329. Minimum Standards for Electronic Gaming Devices

A. All Gaming Devices submitted for Approval:

1. shall be electronic in design and operation and must be controlled by a microprocessor or microcontroller or the equivalent;

2. shall theoretically pay out a mathematically demonstrable percentage of all amounts Wagered, which must not be less than eighty percent (80%) and not more than ninety nine point nine percent (99.9%) for each Wager available for play on the device;

3. shall use a random selection process to determine the Game outcome of each play of a Game. The random selection process must meet 99 percent confidence limits using a standard chi-squared test for goodness of fit and in addition:

a. each possible permutation or combination of Game elements which produce Winning or Losing Game outcomes must be available for random selection at the initiation of each play; and

b. the selection process must not produce detectable patterns of Game elements or detectable dependency upon any previous Game outcome, the amount Wagered, or upon the style or method of play.

4. shall display an accurate representation of the Game outcome. After selection of the Game outcome, the Gaming Device must not make a variable secondary decision which affects the result shown to the Player;

5. shall display the Rules of Play and payoff schedule;

6. shall not automatically alter paytables or any function of the device based on internal computation of the hold percentage;

7. shall be compatible to on-line data monitoring as required by the Division;

8. shall have a separate locked internal enclosure within the device for the circuit board containing the EPROM (Erasable Programmable Read Only Memory Chip);

9. shall be able to continue a Game with no data loss after a power failure;

10. shall have previous and current Game data recall;

11. shall have a complete set of nonvolatile meters including coins-in, coins-out, coins dropped and total jackpots paid;

12. shall contain a surge protector on the line that feeds power to the device. The battery backup or an equivalent for the electronic meters must be capable of maintaining accuracy of all information required for 180 days after power is discontinued from the device. The backup shall be kept within the locked logic board compartment;

13. shall have an on/off switch that controls the electrical current used in the operation of the device which shall be located in an accessible place within its interior;

14. shall be designed so that it shall not be adversely affected by static discharge or other electromagnetic interference;

15. shall have at least one electronic coin acceptor and may be equipped with an Approved currency acceptor. Coin and currency acceptors must be designed to accept designated coins and currency and reject others. The coin acceptor on a device must be designed to prevent the use of cheating methods such as slugging, stringing, or spooning. All types of coin and currency acceptors are subject to the Approval by the Division. The control program must be capable of handling rapidly fed coins so that occurrences of inappropriate *coin-ins* are prevented;

16. shall not contain any hardware switches that alter the paytables or Payout percentages in its operation. Hardware switches may be installed to control graphic routines, speed of play, and sound;

17. shall contain a non-removable identification plate containing the following information, appearing on the exterior of the device:

- a. manufacturer;
- b. serial number; and
- c. model number.

18. shall have a data format Approved by the Division;

19. shall be capable of continuing the current Game with all current Game features after a malfunction is cleared. This rule does not apply if a device is rendered totally inoperable. The current Wager and all credits appearing on the screen prior to the malfunction shall be returned to the Patron;

20. shall have attached a locked compartment separate from any other compartment of the device for housing a drop bucket;

21. shall have a locked compartment for housing currency, if so equipped with a currency acceptor;

22. shall, at a minimum, be capable of detecting and displaying the following error conditions which an attendant may clear:

- a. coin-in jam;
- b. coin-out jam;

- c. currency acceptor malfunction or jam;
- d. hopper empty or time-out;
- e. program error;
- f. hopper runaway or extra coin paid out;
- g. reverse coin-in;
- h. reel error; and
- i. door open.

23. shall use a communication protocol which ensures that erroneous data or signal will not adversely affect the operation of the device;

24. shall have a mechanical, electrical, or electronic device that automatically precludes a Player from operating the device after a jackpot requiring a manual Payout and requires an attendant to reactivate the device; and

25. shall be outfitted with any other equipment required by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4331. Progressive Slot Machines

A. As used in this Subsection:

Progressive Jackpot means a slot machine payoff that increases automatically over time or as the machine or another is played.

Base Amount means the amount of the progressive jackpot offered before it increases.

Incremental Amount means the difference between the amount of a progressive jackpot and its base amount.

B. A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the machines to which the jackpot applies.

C. The Casino Operator may limit a progressive jackpot to an amount that is equal to or greater than the amount of the jackpot when the limit is imposed. The Casino Operator shall post a conspicuous notice of the limit at or near the machine or machines to which the limit applies.

D. The Casino Operator shall not reduce the amount displayed on a progressive jackpot meter or otherwise reduce or eliminate a progressive jackpot unless:

- 1. a Player wins the jackpot;
- 2. the Casino Operator adjusts the progressive jackpot meter to correct a malfunction or to prevent the display of an amount greater than a limit imposed pursuant to paragraph 3 and the Casino documents the adjustment and the reasons for it;
- 3. the Casino's Gaming Operations at the establishment cease for any reason other than a temporary closure where the same Licensee resumes Gaming Operations at the same establishment within a month;
- 4. the Casino Operator distributes the incremental amount to another progressive jackpot at the Licensee's establishment and:
 - a. the Casino documents the distribution;
 - b. any machine offering the jackpot to which the Casino distributes the incremental amount does not require that more money be played on a single play to win the jackpot, than the machine from which the incremental amount is distributed;
 - c. any machine offering the jackpot to which the incremental amount is distributed complies with the minimum theoretical Payout requirement of Chapter 29; and

d. the distribution is completed within thirty (30) days after the progressive jackpot is removed from play or within such longer period as the Division may for good cause Approve; or

e. the Division for good cause Approves a reduction, elimination, distribution, or procedure not otherwise described in this Subsection, which Approval is confirmed in writing.

5. The Casino Operator shall preserve the Records required by this Section for at least five (5) years after they are made unless the Supervisor Approves otherwise in writing.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4333. Computer Monitoring Requirements of Electronic Gaming Devices

A. The Casino Operator must have a computer connected to all Electronic Gaming Devices in the Casino to record and monitor the activities of such devices. No Electronic Gaming Devices shall be operated unless it is on-line and communicating to a computer monitoring system Approved by the Division. Such computer monitoring system shall provide on-line, real-time monitoring and data acquisition capability in the format and media Approved by the Division.

B. The computer permitted by Subparagraph (1) of this Subsection shall be designed and operated to automatically perform and report functions relating to Electronic Gaming Device meters, and other exceptional functions and reports at the Casino as follows:

- 1. record the number and total value of Tokens placed in the Electronic Gaming Device for the purpose of activating play;
- 2. record the Total value of credits received from the currency acceptor for the purpose of activating play;
- 3. record the number and total value of Tokens deposited in the Drop bucket of the Electronic Gaming Device;
- 4. record the number and Total value of tokens automatically paid by the Electronic Gaming Device as the result of a jackpot;
- 5. record the number and Total value of Tokens to be paid manually as the result of a jackpot. The system must be capable of logging in this data if such data is not directly provided by the Electronic Gaming Device;
- 6. have an on-line computer alert, alarm monitoring capability to insure direct scrutiny of conditions detected and reported by the Electronic Gaming Device, including any device malfunction, any type of tampering, and any open door to the Drop area. In addition, any Person opening the electronic gaming device or the Drop area shall complete the machine entry authorization log including time, date, machine identity and reason for entry;
- 7. be capable of logging in and reporting any revenue transactions not directly monitored by Token meter, such as Tokens placed in the Electronic Gaming Device as a result of a fill, and any Tokens removed from the Electronic Gaming Device in the form of a credit; and
- 8. identify any Electronic Gaming Device taken off-line or placed on-line of the computer monitor system,

including date, time, and Electronic Gaming Device identification number;

9. be capable of logging in and reporting the time, date and location of open doors or malfunctions by each Electronic Gaming Device.

C. The Casino shall store, in machine-readable format, all information required by paragraph B for the period of one year. The Casino Operator shall store all information in a secure area and certify that this information is complete and unaltered. This information shall be available in the format and media Approved by the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4335. Employment of Individual to Respond to Inquiries From the Division

A. Each Manufacturer shall employ or retain an individual who understands the design and function of each of its Gaming Devices who shall respond within the time specified by the Division to any inquires from him concerning the Gaming Device or any modifications to the device. Each Manufacturer shall on or before December 31st of each year report, in writing, the name of the individual designated pursuant to this Section and shall report, in writing, any change in the designation within fifteen (15) days of the change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4337. Evaluation of New Gaming Devices

A. The Division may require transportation of not more than two working models of a new Gaming Device to a designated electronics laboratory for review and inspection. The Division may employ the services of an outside electronics laboratory to evaluate the device or may rely on reports or tests required by other regulatory bodies in the United States. The Manufacturer seeking Approval of the device must pay the cost of the inspection and investigation. The laboratory may dismantle the models and may destroy electronic components in order to fully evaluate the device. The Division may require that the Manufacturer provide specialized equipment or the services of an independent technical expert to evaluate the device.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4339. Certification by Manufacturer

A. After completing its evaluation of a new Gaming Device, the lab shall send a report of its evaluation to the Division and the Manufacturer seeking Approval of the device. The report must include an explanation of the manner in which the device operates. The Manufacturer shall return the report within fifteen (15) days and shall either:

1. certify under penalty of perjury that to the best of its knowledge the explanation is correct; or

2. make appropriate corrections, clarifications, or additions to the report and certify under penalty of perjury that to the best of its knowledge the explanation of the Gaming Device is correct as amended.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4341. Approval of New Gaming Devices

A. After completing its evaluation of the new Gaming Device, the Division shall determine whether the Application for Approval of the new Gaming Device should be granted. In considering whether a new Gaming Device will be given final Approval, the Division shall consider whether Approval of the new Gaming Device is consistent with the public policy of the State. Division Approval of a Gaming Device does not constitute certification of the device's safety.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4343. Duplication of Program Storage Media

A. The Casino, other than a Manufacturer, shall not duplicate the contents of Gaming Device program storage media unless its duplication process has received prior written Approval from the Division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4345. Marking, Registration, and Distribution of Gaming Devices

A. No one, including a Licensee, Permittee, Manufacturer or Supplier may ship or otherwise transfer a Gaming Device into this State, out of this State, or within this State unless:

1. a serial number (which must be the same number as given the device pursuant to the provisions of ' 15 U.S.C. 1173 of the Gaming Device Act of 1962) permanently stamped or engraved in lettering no smaller than five (5) millimeters on the metal frame or other permanent component of the device and on a removable metal plate attached to the cabinet of the device; and

2. prior written Approval has been obtained from the Division;

3. immediately upon request in a format Approved by the Division each Manufacturer or Supplier shall keep a written list of the date of each distribution, the serial numbers of the devices, the Division approval number, and the name, state of residence, addresses and telephone numbers of the Person to whom the Gaming Devices have been distributed and shall provide such list to the Division immediately upon request.

B. A registration fee of one hundred dollars per Gaming Device shall be paid to the Division by the Manufacturer prior to shipment of said device to the Casino Operator or supplier within the State. This fee is applicable only to Gaming Devices destined for use in Louisiana by the Casino or Suppliers.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4347. Approval to Sell or Dispose of Gaming Devices

A. No Gaming Device registered by the Division shall be disposed of without prior written Approval of the Division.

The Casino Operator shall not sell to or deliver a Gaming Device to a Person other than its affiliated companies or a Permitted Manufacturer or Supplier without prior written Approval of the Division. Applications for Approval to sell or dispose of a registered Gaming Device must be made, processed, and determined in such manner and using such forms as the Division may prescribe.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4349. Maintenance of Gaming Devices

A. The Casino Operator shall not alter the operation of an Approved Gaming Device except as provide otherwise in the Regulations and shall maintain the Gaming Devices in a suitable condition. Each Licensee shall keep a written list of repairs made to the Gaming Device offered for play to the public that require a replacement of parts that affect the Game outcome and shall make the list available for inspection by the Division upon request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4351. Analysis of Questioned Electronic Gaming Devices

A. If the operation of any Electronic Gaming Device is questioned by the Casino, Patron or an Agent of the Division and the question cannot be resolved, the questioned device will be examined in the presence of an Agent of the Division and a representative of the Casino. If the malfunction can not be cleared by other means to the satisfaction of the Division, the Patron and the Casino, the Electronic Gaming Device will be subjected to an EPROM memory test to verify *signature* comparison by the Division.

B. In the event that the malfunction can not be determined and corrected by this testing, the electronic Gaming Device may be removed from service and secured in a remote, locked compartment. The Electronic Gaming Device may then be transported to an industry-recognized laboratory selected by the Division where the device shall be fully analyzed to determine the status and cause of the malfunction. All costs for transportation and analysis must be borne by the Casino.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4353. Summary Suspension of Approval of Gaming Devices

A. The Division may issue an order suspending Approval of a Gaming Device if it is determined that the device does not operate in the manner certified by the testing laboratory pursuant to this Chapter. The Division after issuing an order may thereafter seal or seize all models of that Gaming Device not in compliance with the Chapter.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4355. Approval of Associated Equipment; Applications and Procedures

A. A Manufacturer or Supplier of Associated Equipment and/or Non-Gaming products shall not distribute Associated Equipment and/or Non-Gaming products unless such Manufacturer and/or Supplier has been Approved by the Division. Applications for Approval of Associated Equipment and/or Non-Gaming products shall be made and processed in such manner and using such forms as the Division may prescribe. Each Application must include, in addition to such other items or information as the Division may require:

1. the name, permanent address, social security number or federal tax identification number of the Manufacturer or Supplier of Associated Equipment and Non-Gaming products unless the Manufacturer or Supplier is currently Permitted by the Division. If the Manufacturer or Supplier of Associated Equipment and Non-Gaming products is a corporation, the names, permanent addresses, social security numbers, and driver's license numbers of the directors and officers must be included. If the Manufacturer or Supplier of Associated Equipment and Non-Gaming products is a partnership, the names, permanent addresses, social security numbers, driver's license numbers, and partnership interest of the partners must be included. If social security numbers or driver's license numbers are not available, the birth date of the partners may be substituted;

2. a complete, comprehensive and technically accurate description and explanation in both technical and non-technical language of the equipment and its intended usage, signed under penalty of perjury;

3. detailed operating procedures; and

4. details of all tests performed and the standards under which such tests were performed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4357. Evaluation of Associated Equipment

A. The Division, if necessary, may require transportation of not more than two (2) working models of Associated Equipment to a designated lab for review and inspection. The lab may dismantle the Associated Equipment and may destroy electronic components in order to fully evaluate the equipment. The Division may require the Manufacturer or Supplier seeking Approval to provide specialized equipment or the services of an independent technical expert to evaluate the equipment, and may employ an outside laboratory to conduct the evaluation. The Manufacturer seeking Approval of the Associated Equipment must pay the cost of the evaluation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

Chapter 45. Labor Organizations

§4501. Labor Organization Registration Required

A. Each labor organization, union or affiliate representing or seeking to represent employees Permitted by

the Board and employed by the Casino Operator, shall register with the Board annually.

B. The Board may exempt any labor organization, union or affiliate from registration requirements where it is found that such labor organization, union or affiliate:

1. is not the certified bargaining representative of any employee Permitted under this chapter or employed by the Casino Operator; and

2. is neither involved nor seeking to be involved actively, directly, or substantially in the control or direction of the representation of any such employee.

C. Such exemption shall be subject to revocation upon disclosure of information which indicates that the affiliate does not or no longer meets the standards for exemption.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4503. Registration Statement

A. In order to register, a labor organization, union or affiliate shall file with the Board a *Labor Organization Registration Statement*. These requirements shall be completed and Approved by the Board prior to the labor organization becoming the certified bargaining representative for employees occupationally Permitted to work for the Casino Operator.

B. Said statement shall be in the form prescribed by the Board and shall include, without limitation, the following:

1. the names of all labor organizations affiliated with the registrant;

2. information as to whether the registrant is involved or seeking to be involved actively, directly or substantially in the control or direction of the representation of any employee Permitted by the Board and employed by the Casino Operator;

3. information as to whether the registrant holds, directly or indirectly, any financial interest whatsoever in the Casino Operator whose employees it represents;

4. the names of any pension and welfare systems maintained by the registrant and all officers and agents of such systems;

5. the names of all officers, agents and principal employees of the registrant; and

6. all written assurances, consents, waivers and other documentation required of a registrant by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4505. Registration Renewal

A. A labor organization registration shall be effective for one year. Any such registration may be renewed upon filing of an updated "Labor Organization Registration Statement" no later than 120 days prior to the expiration of the current registration. The Board shall act upon such application for renewal no later than 30 days prior to the date of expiration of the current registration.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4507. Continuing Duty to Disclose

A. Every registered labor organization shall be under a continuing duty to promptly disclose any change in the information contained in the "Labor Organization Registration Statement" or otherwise requested by the Board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4509. Federal Reports Exception

A. Notwithstanding the reporting requirements imposed by the Regulations of the Board, no labor organization, union, affiliate or Person shall be required to furnish any information which is included in a Report filed by any labor organization, union, affiliate or Person with the Secretary of Labor, pursuant to 29 U.S.C., section 431, et seq. (Labor-Management Reporting and Disclosure Act) if a copy of such Report, or if the portion thereof containing such information, is furnished to the Board pursuant to the aforesaid Federal provisions.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4511. Qualification of Officers, Agent, and Principal Employees

A. Every officer, Agent and principal employee of a labor organization, union or affiliate required to register with the Board pursuant to this Chapter and the Regulations of the Board shall be qualified in accordance with criteria contained in Land-Based Gaming Division Regulation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4513. Qualification Procedure

A. In order to be qualified, every officer, agent and principal employee of a labor organization, union or affiliate required to register with the Board pursuant to the Regulations of the Board shall file with the Board a *Labor Organization Individual Disclosure Form*, which shall be completed, signed and filed in accordance with the requirements of this chapter, provided, however, that such a form need not be filed by an officer of a national or international labor organization where that officer exercises no authority, discretion or influence over the operation of such labor organization with regard to any employment matter relating to employees Permitted under the act and employed by the Casino Operator; and provided further, that any such officer of a national or international labor organization may be directed by the Board to file a *Labor Organization Individual Disclosure Form* or to provide any other information in the same manner and the same extent as may be required of any other officer of a labor organization which is required to register under this Chapter.

B. Each officer, agent or principal employee required to file, a *labor organization individual disclosure form* shall do so initially at the time the pertinent labor organization, union or affiliate applies or should apply for registration or at the

time the individual is elected, appointed or hired, whichever is later.

1. Following an initial finding of qualification, each qualified individual who has filed an initial *labor organization individual disclosure form* shall annually file with the Board a properly completed, updated *labor organization individual disclosure form*.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4515. Waiver of Disqualification Criteria

A. Notwithstanding the qualification requirements as to any such officer, agent or principal employee, the Board may waive any disqualification criteria upon a finding that the Interests of justice so require.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4517. Interest in Operator's License Prohibited

A. Neither a labor organization, union, or affiliate nor its officers, and agents not otherwise individually Permitted under the Act and employed by the Casino Operator may hold any financial Interest whatsoever in the Casino Operator whose employees they represent.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

§4519. Failure to Comply; Consequences

A. No labor organization, union or affiliate required to register with the Board shall receive any dues from or on behalf of or administer any pension, welfare funds from or on behalf of any Permitted employee and employed by the Casino Operator or its Agent:

1. if the said labor organization, union, or affiliate shall fail to properly register with the Board or provide all information requested by the Board in accordance with the provisions of this Chapter or the Regulations of the Board;

2. if any officer, agent or principal employee of such labor organization, union, or affiliate shall fail to qualify in accordance with the provisions of this Chapter or the Regulations of the Board; or

3. if the said labor organization, union, affiliate or any officer or agent thereof shall hold a prohibited Interest in the Casino Operator.

B. Nothing herein shall be construed to limit the right of the Board to impose any sanctions or take any action authorized by these Regulations and the Act.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and R.S. 27:24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 25:

All interested persons may contact Jay Quinlan, Attorney General's Gaming Division, telephone number (504) 599-1149, and may submit written comments relative to those proposed rules, through June 9, 1999 to One Canal Place, 365 Canal Street, Suite 2730, New Orleans, Louisiana 70130.

Hillary J. Crain
Chairman

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Landbased Casino Gaming

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

While the regulations are not anticipated to increase cost directly, the enacting statutes and Casino Operating contract are the direct causes of any cost increases, some indeterminable cost increases, are expected as a result of reporting, documentation, and on-site regulation by State Police. It is impossible to quantify these costs at this time due to no previous regulation of the Landbased Casino by the Louisiana Gaming Board and the Louisiana State Police.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

An increase in revenues can be anticipated through the imposition of permit fees set forth in §2113 as well as fines levied in accordance with §4103. These fees and fine revenues are impossible to forecast at this stage due to no permanent Landbased Casino having previously been in existence in Louisiana. These regulations also set forth monitoring procedures for the paying of the annual \$100 million to the State, though the regulations themselves do not create the obligation.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

Employees working for the Casino and vendors conducting business with the Casino will be assessed fees in accordance with §2113, the costs of filling out the forms is impossible to quantify. There is a concomitant benefit that exists in the creation of employment and business opportunities.

The Landbased Casino has created and will create thousands of jobs as well as provide opportunities to service providers to increase their business. These regulations affect these areas, not by directly creating the opportunities, but indirectly affecting them by setting forth certain parameters regarding employment and contracts.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

While the regulations themselves do not mandate employment levels or create competitive businesses, the Casino will undoubtedly have a competitive effect on the three Riverboat Casinos in the New Orleans area as well as affect employment at surrounding businesses.

Hillary J. Crain
Chairman
9905#017

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

Department of Revenue Office of the Secretary

Drug Free Workplace and Drug Testing
(LAC 61:I.101)

In accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and in accordance with Executive Order MJF 98-38 and R.S. 49:1015 et seq., notice is given that the Department of Revenue, Office of the Secretary, proposes to adopt LAC 61:I.101 to provide for

implementation of a drug-testing program for new and existing employees.

Title 61

REVENUE AND TAXATION

Part I. Taxes Collected and Administered by the Secretary of Revenue

Chapter 1. Office of the Secretary

§101. Drug Free Workplace and Drug Testing

A. Introduction and Purpose

1. The employees of the Department of Revenue are among the state's most valuable resources, and the physical and mental well-being of our employees is necessary for them to properly carry out their responsibilities. Substance abuse causes serious adverse consequences to users, affecting their productivity, health and safety, dependents, and co-workers, as well as the general public.

2. The State of Louisiana and the Department of Revenue have a long-standing commitment to working toward a drug-free workplace. In order to curb the use of illegal drugs by employees of the State of Louisiana, the Louisiana Legislature enacted laws that provide for the creation and implementation of drug testing programs for state employees. Further, the Governor of the State of Louisiana issued Executive Order 98-38 providing for the promulgation by executive agencies of written policies mandating drug testing of employees, appointees, prospective employees and prospective appointees, pursuant to R.S. 49:1001 et seq.

B. Applicability

1. This regulation shall apply to all Department of Revenue employees including appointees and all other persons having an employment relationship with this agency.

C. Definitions

Controlled Substances—a drug, chemical substance or immediate precursor in Schedules I through V of R.S. 40:964 or Section 202 of the Controlled Substances Act (21 U.S.C. 812).

Designer (Synthetic) Drugs—those chemical substances that are made in clandestine laboratories where the molecular structure of both legal and illegal drugs is altered to create a drug that is not explicitly banned by federal law.

Employee—unclassified, classified, and student employees, student interns, and any other person having an employment relationship with this agency, regardless of the appointment type (e.g. full time, part time, temporary, restricted, detailed, job appointment, etc.).

Illegal Drug—any drug that is not legally obtainable or that has not been legally obtained, to include prescribed drugs not legally obtained and prescribed drugs not being used for prescribed purposes or being used by one other than the person for whom prescribed.

Reasonable Suspicion—belief based upon reliable, objective and articulable facts derived from direct observation of specific physical, behavioral, odorous presence, or performance indicators and being of sufficient import and quantity to lead a prudent person to suspect that an employee is in violation of this regulation.

Safety-Sensitive or Security-Sensitive Position—a position determined by the Appointing Authority to contain duties of such nature that the compelling state interest to keep the incumbent drug-free outweighs the employee's privacy interests. Positions considered as safety-sensitive or

security-sensitive are listed in §101.J. These positions were determined with consideration of statutory law, jurisprudence, and the practices of this agency. Examples of safety-sensitive and security-sensitive positions are as follows:

a. Positions with duties that are required or are authorized to carry a firearm.

b. Positions with duties that require operation or maintenance of any heavy equipment or machinery, or the supervision of such an employee.

c. Positions with duties that require the operation or maintenance of a public vehicle, or the supervision of such an employee.

Under the Influence—for the purposes of this regulation, a drug, chemical substance, or the combination of a drug or chemical substance that affects an employee in any detectable manner. The symptoms or influence are not confined to that consistent with misbehavior, nor to obvious impairment of physical or mental ability, such as slurred speech, or difficulty in maintaining balance. A determination of influence can be established by a professional opinion or a scientifically valid test.

Workplace—any location on agency property including all property, offices, and facilities, including all vehicles and equipment, whether owned, leased, or otherwise used by the agency or by an employee on behalf of the agency in the conduct of its business in addition to any location from which an individual conducts agency business while such business is being conducted.

D. Drug-Free Workplace Policy

1. It shall be the policy of the Department of Revenue to maintain a drug-free workplace and a workforce free of substance abuse. Employees are prohibited from reporting to work or performing work with the presence in their bodies of illegal drugs, controlled substances, or designer (synthetic) drugs at or above the initial testing levels and confirmatory testing levels as established in the contract between the State of Louisiana and the official provider of drug testing services. Employees are further prohibited from the illegal use, possession, dispensation, distribution, manufacture, or sale of controlled substances, designer (synthetic) drugs, and illegal drugs, at the work site and while on official state business, on duty or on call for duty.

2. To assure maintenance of a drug-free workplace, it shall be the policy of the Department of Revenue to implement a program of drug testing, in accordance with Executive Order No. MJF 98-38, R.S. 49:1001 et seq., and all other applicable federal and state laws, as set forth below.

E. Conditions Requiring Drug Tests. Drug testing shall be required under the following conditions:

1. Reasonable Suspicion. Any employee shall be required to submit to a drug test if there is reasonable suspicion, as defined in §101.C.*Reasonable Suspicion*, that the employee is using drugs.

2. Post Accident. Each employee involved in an accident that occurs during the course and scope of employment shall be required to submit to a drug test if the accident:

a. involves circumstances leading to a reasonable suspicion of the employee's drug use, or

b. results in a fatality.

3. Rehabilitation Monitoring. Any employee who is participating in a substance abuse after-treatment program or who has a rehabilitation agreement with the agency following an incident involving substance abuse shall be required to submit to random drug testing.

4. Pre-employment. Each prospective employee shall be required to submit to drug screening at the time and place designated by the Director of the Human Resources Division following a job offer contingent upon a negative drug-testing result. Pursuant to R.S. 49:1008, a prospective employee who tests positive for the presence of drugs in the initial screening shall be eliminated from consideration for employment.

5. Safety-sensitive and Security-sensitive positions.

a. Appointments and Promotions. Each employee who is offered a safety-sensitive or security-sensitive position as defined in §101.J shall be required to pass a drug test before being placed in such position, whether through appointment or promotion. All such testing shall, if applicable, occur during the selected employee's work schedule.

b. Random testing. Every employee in a safety-sensitive or security-sensitive position shall be required to submit to drug testing as required by the Appointing Authority, who shall periodically call for a sample of such employees, selected at random by a computer-generated random selection process, and require them to report for testing. All such testing shall, if applicable, occur during the selected employee's work schedule.

F. Drug-Testing Procedure

1. Drug testing pursuant to this regulation shall be conducted for the presence of cannabinoids (marijuana metabolites), cocaine metabolites, opiate metabolites, phencyclidine, and amphetamines in accordance with the provisions of R.S. 49:1001 et seq. The Department of Revenue reserves the right to test its employees for the presence of any other illegal drug or controlled substance when there is reasonable suspicion to do so.

2. The Human Resource Director and the Deputy Undersecretary shall be involved in any determination that one of the above-named conditions requiring drug testing exists. All recommendations for drug testing must be approved by the Secretary of Revenue. Upon such final determination by the responsible officials, the Director of the Human Resources Division shall notify the supervisor of the employee to be tested, who shall immediately notify the employee where and when to report for the testing.

3. Testing services shall be performed by a provider chosen by the Office of State Purchasing, Division of Administration, pursuant to applicable bid laws. At a minimum, the testing service shall assure the following:

a. All specimen collections will be performed in accordance with applicable federal and state regulations and guidelines to ensure the integrity of the specimen and the privacy of the donor. The Director of Human Resources shall review and concur in advance with any decision by a collection site person to obtain a specimen under direct supervision. All direct observation shall be conducted by a person of the same-sex at the collection site.

b. Chain of custody forms must be provided to ensure the integrity of each urine specimen by tracking its

handling and storage from point of collection to final disposition.

c. Testing shall be performed by a Substance Abuse Mental Services Health Administration (SAMSHA) certified laboratory.

d. The laboratory shall use a cut-off of 50 ng/ml for a positive finding in testing for Cannabinoids.

e. All positives reported by the laboratory must be confirmed by gas chromatography/mass spectrometry.

4. All positive results of drug-testing shall be reported by the laboratory to a qualified medical review officer.

G. Confidentiality

1. All information, interviews, reports, statements, memoranda, or test results received through this drug testing program are confidential communications, pursuant to R.S. 49:1012, and may not be used or received in evidence, obtained in discovery, or disclosed in any public or private proceedings, except in an administrative or disciplinary proceeding or hearing, or civil litigation where drug use by the tested individual is relevant.

H. Responsibilities

1. The Secretary of Revenue is responsible for the overall compliance with this regulation and shall submit to the Office of the Governor, through the Commissioner of Administration, a report on this regulation and drug testing program, describing progress, the number of employees affected, the categories of testing being conducted, the associated costs for testing, and the effectiveness of the program by November 1 of each year.

2. The Director of the Human Resources Division is responsible for administering the drug testing program; recommending to the Secretary when drug testing is appropriate; receiving, acting on, and holding confidential all information received from the testing services provider and from the medical review officer; collecting appropriate information necessary to agency defense in the event of legal challenge; and providing the Secretary with the data necessary to submit a detailed report to the Office of the Governor as described above.

3. All supervisory personnel are responsible for reporting to the Director of Human Resources any employee they suspect may be under the influence of any illegal drug or chemical substance. Supervisory personnel are also responsible for assuring that each employee under their supervision receives a copy of this regulation, signs a receipt form, and understands or is given the opportunity to understand and have questions answered about its contents.

I. Violation of the Regulation.

1. Violation of this regulation, including refusal to submit to drug testing when properly ordered to do so, will result in actions up to and including termination of employment.

2. Each violation and alleged violation of this regulation will be handled on an individual basis, taking into account all data, including the risk to self, fellow employees, and the general public.

J. Safety-Sensitive or Security-Sensitive Positions to be Randomly Drug Tested.

1. Secretary
2. Deputy Secretary
3. Undersecretary

4. Assistant Secretary
5. Alcohol Beverage Control Investigator Supervisor
6. Alcohol Beverage Control Investigator
7. Alcohol Beverage Control Manager
8. Alcohol Beverage Control Staff Officer
9. Alcohol Beverage Control Special Investigator
10. Police Officer/Security Guard
11. Maintenance Foreman
12. Maintenance Repairer
13. Maintenance Repairer Master
14. Laborer
15. Trades Apprentice
16. Helper

AUTHORITY NOTE: Promulgated in accordance with Executive Order MJF 98-38 and R.S. 49:1015 et seq.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Office of the Secretary, LR 25:

Interested persons may submit data, views, arguments, information, or comments on this proposed regulation in writing to Carolyn Shields, Director, Human Resources Division, Department of Revenue, P.O. Box 66378, Baton Rouge LA 70896 or by fax to (225) 925-7583. All written comments must be submitted by Monday, June 28, 1999.

A public hearing will be held on Tuesday, June 29, 1999, at 1:00 p.m. in the Department of Revenue Secretary's Conference Room, 330 North Ardenwood, Baton Rouge, Louisiana.

Brett Crawford
Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Drug Free Workplace and Drug Testing

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

Implementation of this rule will result in additional costs associated with drug testing of new hires, random testing of employees in safety-sensitive or security-sensitive positions, and testing of employees under other conditions requiring drug test. Based on drug testing for 522 new hires annually and 25 percent of the 65 safety-sensitive or security-sensitive positions at a cost of \$23.50 per test, it is estimated that the Department's drug testing costs will be approximately \$12,700 annually.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

This proposed regulation should have no effect on state or local revenue collections.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The persons affected by this proposed regulation will be prospective employees and current employees that test positive for the tested drugs. The impact would be the possible loss of employment opportunity for prospective employees and the possible disciplinary actions up to and including termination of current employees.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed regulation should have no impact on competition and employment.

John Neely Kennedy
Secretary
9905#036

H. Gordon Monk
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Wildlife and Fisheries
Wildlife and Fisheries Commission**

**Deer Management Assistance Program
(LAC 76:V.111)**

The Wildlife and Fisheries Commission does hereby give notice of its intent to amend rules and regulations governing participation in the deer management assistance program.

Title 76

WILDLIFE AND FISHERIES

Part V. Wild Quadrupeds and Wild Birds

Chapter 1. Wild Quadrupeds

§111. Rules and Regulations for Participation in the Deer Management Assistance Program

A. The following rules and regulations shall govern the Deer Management Assistance Program

1. Application Procedure

a. Application for enrollment in Deer Management Assistance Program (DMAP) must be submitted to the Department of Wildlife and Fisheries annually by September 1.

b. Each application must be accompanied by a legal description of lands to be enrolled and a map of the property. This information will remain on file in the appropriate regional office. The applicant must have under lease or otherwise control a minimum of 500 acres of contiguous deer habitat of which up to 250 acres may be agricultural lands, provided the remainder is in forest and/or marsh. Private lands within Wildlife Management Area boundaries shall be enrolled in DMAP regardless of size.

c. Each cooperator will be assessed a \$25 enrollment fee and \$.05/acre for participation in the program. DMAP fees must be paid prior to October 1.

d. An agreement must be completed and signed by the official representative of the cooperator and submitted to the appropriate regional wildlife office for his approval. This agreement must be completed and signed annually.

e. Boundaries of lands enrolled in DMAP shall be clearly marked and posted with DMAP signs in compliance with R.S. 56:110 and LAC 76:V.109. DMAP signs shall be removed if the land is no longer enrolled in DMAP.

f. By enrolling in the DMAP, cooperators agree to allow Department personnel access to their lands for management surveys, investigation of violations and other inspections deemed appropriate by the Department. The

person listed on the DMAP application as the contact person will serve as the liaison between the DMAP Cooperator and the Department.

g. Each cooperator that enrolls in DMAP shall provide annually keys or lock combinations to provide the Enforcement Division of the Department of Wildlife and Fisheries access to all entrances of the DMAP property. Such access must include vehicle access to the records storage facility (club house/deer cleaning facility) if there is one located on the property.

2. Tags

a. A fixed number of special tags will be provided by the Department to each cooperator in DMAP to affix to deer taken as authorized by the program. These tags shall be used only on DMAP lands for which the tags were issued.

b. All antlerless deer taken shall be tagged, including those taken during archery season, muzzleloader, and on either-sex days of gun season.

c. Each hunter must have a tag in his possession while hunting on DMAP land in order to harvest an antlerless deer. The tag shall be attached through the hock in such a manner that it cannot be removed before the deer is transported. The DMAP tag will remain with the deer so long as the deer is kept in the camp or field, is in route to the domicile of its possessor, or until it has been stored at the domicile of its possessor, or divided at a cold storage facility and has become identifiable as food rather than as wild game. The DMAP number shall be recorded on the possession tag of the deer or any part of the animal when divided and properly tagged.

d. All unused tags shall be returned by March 1 to the regional wildlife office which issued the tags.

3. Records

a. Cooperators are responsible for keeping accurate records on forms provided by the Department for all deer harvested on lands enrolled in the program. Mandatory information includes tag number, sex of deer, date of kill and name of person taking the deer. Documentation of harvested deer shall be kept daily by the Cooperator. Additional information may be requested depending on management goals of the cooperator.

b. Information on deer harvested shall be submitted by March 1 to the regional wildlife office handling the particular cooperator.

c. The Contact person shall provide this documentation of harvested deer to the Department upon request. Cooperators who do not have a field camp will be given 48 hours to provide this requested documentation.

B. Suspension and cancellation of DMAP Cooperators

1. Failure of the cooperator to follow these rules and regulations may result in suspension and cancellation of the program on those lands involved. Failure to make a good faith attempt to follow harvest recommendations may also result in suspension and cancellation of the program.

a. Suspension of Cooperator from DMAP Cancellation of the Cooperator from DMAP, including forfeiture of unused tags, will occur immediately for any misuse of tags, failure to tag any antlerless deer, or failure to submit records to the Department for examination in a timely fashion. Suspension of the Cooperator, including forfeiture of unused tags, may also occur immediately if other DMAP rules or wildlife regulations are violated. Upon

suspension of the Cooperator from DMAP, the Contact Person may request an administrative hearing within 10 working days to appeal said suspension. Cooperation by the DMAP Cooperator with the investigation of the violation will be taken into account by the Department when considering cancellation of the program following a suspension for any of the above listed reasons. The Cooperator may be allowed to continue with the program on a probational status if, in the judgement of the Department, the facts relevant to a suspension do not warrant cancellation.

b. Cancellation of cooperator from DMAP Cancellation of a cooperator from DMAP may occur following a guilty plea or conviction for a DMAP rule or regulation violation and the Cooperator may not be allowed to participate in DMAP for one year following the cancellation for such guilty pleas or conviction. Upon cancellation of the Cooperator from DMAP, the Contact Person may request an administrative hearing within 10 working days to appeal said cancellation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 56:115.

HISTORICAL NOTE: Promulgated by the Department of Wildlife and Fisheries, Wildlife and Fisheries Commission, LR 17:204 (February 1991), amended LR 25:

The Secretary of the Department of Wildlife and Fisheries is authorized to take any and all necessary steps on behalf of the Commission to promulgate and effectuate this Notice of Intent and the final Rule, including but not limited to, the filing of the Fiscal and Economic Impact statement, the filing of the Notice of Intent and final Rule and the preparation of reports and correspondence to other agencies of government.

Interested persons may comment on the proposed rule in writing to Mr. Tommy Prickett, Wildlife Division, Department of Wildlife and Fisheries, Box 98000, Baton Rouge, LA 70898-9000 until 4:30 p.m., July 6, 1999.

Bill A. Busbice, Jr.
Chairman

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Deer Management Assistance Program

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

This rule amends permanent rules and regulations established for the Deer Management Assistance Program and will have no implementation costs to state or local government units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no effect on revenue collections by amending this rule.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

These amended rules simply clarify and establish guidelines that have been in place or are currently in state law. Only cooperators who volunteer to participate in the Deer Management Assistant Program (DMAP) will be affected. The

Department does not expect any impact on cooperators receipts or income resulting from amending the DMAP rules.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There will be no effect on competition and employment.

James L. Patton
Undersecretary
9905#045

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Wildlife and Fisheries
Wildlife and Fisheries Commission**

Isles Dernieres Barrier Islands Refuge
(LAC 76:III.321 and 331)

The Wildlife and Fisheries Commission does hereby give notice of its intent to adopt regulations for the Isles Dernieres Barrier Islands Refuge.

The text of this proposed rule may be viewed in its entirety in the Emergency Rule Section of this issue of the *Louisiana Register*.

The Secretary of the Department of Wildlife and Fisheries is authorized to take any and all necessary steps on behalf of the Commission to promulgate and effectuate this Notice of Intent and the final Rule, including but not limited to, the filing of the Fiscal and Economic Impact statement, the filing of the Notice of Intent and final Rule and the preparation of reports and correspondence to other agencies of government.

Interested persons may comment on the proposed rule in writing to Mr. Brandt Savoie, Fur and Refuge Division, Department of Wildlife and Fisheries, Box 98000, Baton Rouge, LA 70898-9000 until 4:30 p.m., July 6, 1999.

Bill A. Busbice, Jr.
Chairman

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR
ADMINISTRATIVE RULES**

RULE TITLE: Isles Dernieres Barrier Islands Refuge

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The addition of two barrier islands (East and Trinity Islands) into the Department's Barrier Islands Refuge System

and establishment of a houseboat permitting system will require additional paperwork, dedication of man-power, and funding to post and monitor the new islands. However, because of their close proximity to other islands (i.e., Wine, Whiskey, and Raccoon Islands) already part of the refuge, it is anticipated that additional funding and man-power requirements can be absorbed into current and future operational budgets. There are no anticipated implementation costs or savings to local government units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The rule is anticipated to initiate and enhance private eco-tourism and recreational business opportunities that will likely increase revenue tax collections to local and state government units through increased sales of goods and services. The amount of revenue collections, however, is anticipated to be small due to the size of the public access area involved.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

Recreational benefits can be expected to accrue to the public and to local merchants as a result of public access to approximately 35 acres on Trinity Island and the establishment of a permitted houseboat mooring area. Increased recreational activities such as overnight camping, fishing, bird watching, boat tours, etc. should provide opportunities for the development and expansion of new and existing eco-tourism and recreation based businesses in nearby inland communities. Local businesses that provide goods and services (food, lodging, fuel, transportation, etc.) to user groups of Trinity Island are anticipated to experience a nominal positive impact on receipts and/or income resulting from this rule.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The addition of another tourist/recreational attraction, such as this public access site, will not necessarily increase competition and employment in the private sector. Inland communities near the site have an adequate number of businesses that already support tourist/recreational activities. Thus, increased employment and competition in industries supporting the public access area will not be noticeable or immediate but dependent upon the access area's viability as a tourist/recreational attraction. Competition and employment in the public sector is not currently anticipated.

James L. Patton
Undersecretary
9905#044

Robert E. Hosse
General Government Section Director
Legislative Fiscal Office

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