

STATE OF SOUTH DAKOTA
DEPARTMENT OF REVENUE
SOUTH DAKOTA COMMISSION ON GAMING

Notice of Public Hearing to Adopt Rules

A public hearing will be held on Wednesday, July 14, 2021, at 9:00 o'clock a.m. at The Lodge at Deadwood, 100 Pine Crest Lane, Deadwood, South Dakota, 57732, to consider the adoption and amendment of proposed rules numbered:

GAMING RULES: 20:18:17:18.03, 20:18:17:18.04, 20:18:17:19, 20:18:17:39, 20:18:17:39.01, 20:18:17:40, 20:18:17:40.01, 20:18:17:40.02, 20:18:17:40.03, 20:18:17:40.04, 20:18:17:40.05, 20:18:17:40.06, 20:18:17:40.07, 20:18:17:41, 20:18:17:41.01, 20:18:17:41.02, 20:18:17:41.03, 20:18:17:41.04, 20:18:17:41.05, 20:18:17:41.06, 20:18:17:41.07, 20:18:17:41.08, 20:18:17:41.09, 20:18:17:41.10, 20:18:17:41.11, 20:18:17:41.12, 20:18:17:41.13, 20:18:17:41.14, 20:18:17:41.15, 20:18:17:41.16, 20:18:18:26, 20:18:35:01, 20:18:35:02, 20:18:35:03, 20:18:35:04, 20:18:35:05, 20:18:35:06, 20:18:35:07, 20:18:35:08, 20:18:35:09, 20:18:35:10, 20:18:35:11, 20:18:35:12, 20:18:35:13, 20:18:35:14, 20:18:35:15, 20:18:35:16, 20:18:35:17, 20:18:35:18, 20:18:35:19, 20:18:35:20, 20:18:35:21, 20:18:35:22, 20:18:35:23, 20:18:35.01:01, 20:18:35.01:02, 20:18:35.01:03, 20:18:35.01:04, 20:18:35.01:05, 20:18:35.01:06, 20:18:35.01:07, 20:18:35.01:08, 20:18:35.01:09, 20:18:35.02:01, 20:18:35.02:02, 20:18:35.02:03, 20:18:35.02:04, 20:18:35.02:05, 20:18:35.02:06, 20:18:36:01, 20:18:36:02, 20:18:36:03, 20:18:36:04, 20:18:36:05, 20:18:36:06, 20:18:36:07, 20:18:36:08, 20:18:36:09, 20:18:36:10, 20:18:36:11, 20:18:36:12, 20:18:36:13, 20:18:36:14, 20:18:36:15, 20:18:36:16, 20:18:36:17, 20:18:36:18, 20:18:36:19, 20:18:36:20, 20:18:36:21, 20:18:36:22, 20:18:36:23, 20:18:36:24, 20:18:36:25, 20:18:36:26, 20:18:36:27, 20:18:36:28, 20:18:36:29, 20:18:36:30, 20:18:36:31, Appendix A, Definitions of Selected Gaming Technology

(1) Proposed new and amended rules numbered 20:18:17:18.03, 20:18:17:18.04, 20:18:17:19, 20:18:17:39, 20:18:17:39.01, 20:18:17:40, 20:18:17:40.01, 20:18:17:40.02, 20:18:17:40.03, 20:18:17:40.04, 20:18:17:40.05, 20:18:17:40.06, 20:18:17:40.07, 20:18:17:41, 20:18:17:41.01, 20:18:17:41.02, 20:18:17:41.03, 20:18:17:41.04, 20:18:17:41.05, 20:18:17:41.06, 20:18:17:41.07, 20:18:17:41.08, 20:18:17:41.09, 20:18:17:41.10, 20:18:17:41.11, 20:18:17:41.12, 20:18:17:41.13, 20:18:17:41.14, 20:18:17:41.15, 20:18:17:41.16. Slot Machine and System Requirements. The effect of these rules is to set forth the various system requirements for the implementation of cashless gaming in Deadwood for all authorized games.

The reason for adopting the new rules and the proposed amendments is that cashless gaming was previously allowed, but the rules regarding the cashless system and implementation of the cashless system had not yet been promulgated.

(2) Proposed amendment: 20:18:18:26. External bonusing. The effect of this rule amendment is to provide for external bonusing systems for all authorized games in Deadwood.

The reason for the proposed amendment is that cashless gaming system rules are being implemented and currently only slot machines were authorized for external bonusing.

(3) Proposed new rules: 20:18:35:01, 20:18:35:02, 20:18:35:03, 20:18:35:04, 20:18:35:05, 20:18:35:06, 20:18:35:07, 20:18:35:08, 20:18:35:09, 20:18:35:10, 20:18:35:11, 20:18:35:12, 20:18:35:13, 20:18:35:14, 20:18:35:15, 20:18:35:16, 20:18:35:17, 20:18:35:18, 20:18:35:19, 20:18:35:20, 20:18:35:21, 20:18:35:22, 20:18:35:23. Requirements of Sports Wagering Operations. The effect of the new rules is to provide for the requirements and regulation of sports wagering operations within licensed gaming premises in the City of Deadwood.

The reason for the new rules is that sports wagering was authorized in Senate Bill 44 during the 2021 South Dakota Legislative Session.

(4) Proposed new rules: 20:18:35.01:01, 20:18:35.01:02, 20:18:35.01:03, 20:18:35.01:04, 20:18:35.01:05, 20:18:35.01:06, 20:18:35.01:07, 20:18:35.01:08, 20:18:35.01:09. Sports Wagering, Testing, Approval, and Changes. The effect of these new rules is to provide for the testing, approval and changes to sports wagering systems in licensed gaming premises in Deadwood.

The reason for the new rules is that sports wagering was authorized in Senate Bill 44 during 2021 South Dakota Legislative Session.

(5) Proposed new rules: 20:18:35.02:01, 20:18:35.02:02, 20:18:35.02:03, 20:18:35.02:04, 20:18:35.02:05, 20:18:35.02:06. Sports Wagering Area. The effect of these new rules is to provide for the areas where sports wagering may occur and the regulation thereof.

The reason for the new rules is that sports wagering was authorized in Senate Bill 44 during 2021 South Dakota Legislative Session.

(6) Proposed new rules: 20:18:36:01, 20:18:36:02, 20:18:36:03, 20:18:36:04, 20:18:36:05, 20:18:36:06, 20:18:36:07, 20:18:36:08, 20:18:36:09, 20:18:36:10, 20:18:36:11, 20:18:36:12, 20:18:36:13, 20:18:36:14, 20:18:36:15, 20:18:36:16, 20:18:36:17, 20:18:36:18, 20:18:36:19, 20:18:36:20, 20:18:36:21, 20:18:36:22, 20:18:36:23, 20:18:36:24, 20:18:36:25, 20:18:36:26, 20:18:36:27, 20:18:36:28, 20:18:36:29, 20:18:36:30, 20:18:36:31. Advanced Deposit Wagering (ADW). The effect of these new rules is to implement and regulate the conduct of advanced deposit wagering for all types of authorized games within licensed gaming premises in Deadwood.

The reason for adopting the new rules is to provide for the proper conducting of advanced deposit wagering for all games and for appropriate security and accounting of patrons' advanced deposits.

(7) Appendix A, Gaming Internal Control and Revenue Reporting Manual. Definitions of Selected Gaming Technology and Section 1300 – Internal Audits. The effect of this amendment is to provide for the definition of a sports wagering manager and to require internal audits by licensed accounting personnel in Deadwood.

The reason for adopting the proposed amendment is that sports wagering was authorized by Senate Bill 44 during the 2021 Legislative Session and to provide for appropriate auditing and safeguarding of accounts.

Persons interested in presenting data, opinions, and arguments for or against the proposed rules may do so by appearing in person at the hearing or by mailing them to South Dakota Commission on Gaming, 87 Sherman Street, Deadwood, South Dakota, 57732, or by e-mail to susan.christian@state.sd.us. Materials sent by mail must reach the Commission on Gaming by Tuesday, July 13, 2021, to be considered. However, the Commission requests that all written comments be received by Friday, July 9, 2021, to allow for adequate consideration prior to the hearing.

After the hearing, the Commission will consider all written and oral comments it receives on the proposed rule changes. The Commission may modify or amend a proposed rule at that time to include or exclude matters that are described in this notice.

Notice is further given to any individual with disabilities that this hearing is being held in a physically accessible place. Please notify the Commission on Gaming at least 48 hours before the public hearing if you have special needs for which special arrangements must be made. The telephone number for making these special arrangements is (605)578-3074.

The text of the above-proposed rules is available on the South Dakota Administrative Rules website at: <http://rules.sd.gov/>. Paper copies of the proposed rules may also be obtained without charge from the:

South Dakota Commission on Gaming
87 Sherman Street
Deadwood, South Dakota 57732
Telephone: (605)578-3074

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