

**20:04:27:12. Penalty for use of illegal substances.** If the analysis made by any chemist, who is approved by the commission, of a urine, saliva, or blood specimen taken under the supervision of the commission veterinarian from a horse entered in a race indicates the presence of a drug, chemical, medicine, analgesic, or injectable, which is not specifically authorized by these rules or is detected at a threshold in excess of the thresholds stated in Association of Racing Commissioners International Controlled Therapeutic Medication Schedule for Horses Version ~~3.2 dated December 9, 2016~~ 4.2.1 dated December, 2020, the following penalties may apply:

(1) The purse may be redistributed;

(2) A track record established by the horse in the race may be declared void;

(3) The trainer of the horse may be fined or suspended or the trainer's license may be revoked, or the trainer may be given any combination of these penalties;

(4) A horse which has had a positive test for drugs may be suspended from racing for a period equal to any suspension given to the horse's trainer or owner-trainer for the same incident; and

(5) In a claiming race, if a claimed horse has a positive test, the stewards at their discretion may void the claim.

Each time a trainer or an owner-trainer has been fined or suspended in South Dakota or any other racing jurisdiction for violation of rules prohibiting the use of illegal substances or regulating the use of controlled therapeutic medications constitutes an offense.

**Source:** 5 SDR 87, effective April 15, 1979; 6 SDR 77, effective February 3, 1980; 7 SDR 70, effective January 27, 1981; 8 SDR 94, effective February 14, 1982; transferred from § 20:04:05:20, 9 SDR 122, effective March 31, 1983; 11 SDR 177, effective July 2, 1985; 12 SDR 108, effective January 8, 1986; 12 SDR 151, 12 SDR 155, effective July 1, 1986; 17 SDR 113, effective February 5, 1991; 23 SDR 126, effective February 13, 1997; 33 SDR 63, effective October 18, 2006; 38 SDR 101, effective December 5, 2011; 43 SDR 150, effective June 1, 2017.

**General Authority:** SDCL 42-7-56(4)(13).

**Law Implemented:** SDCL 42-7-56(4)(13), 42-7-67.

**Reference:** Association of Racing Commissioners International Controlled Therapeutic Medication Schedule for Horses ~~Version 3.2 dated December 9, 2016~~ 4.2.1 dated December, 2020. Copies may be obtained from the Association of Racing Commissioners International web site at [www.arci.com](http://www.arci.com) free of charge.

**20:04:27:14. Restrictions on use of authorized drugs.** Therapeutic medications authorized by the Association of Racing Commissioners International Controlled Therapeutic Medication Schedule for Horses ~~Version 3.2 dated December 9, 2016~~ 4.2.1 dated December, 2020, may administered to horses in accordance with the following restrictions:

(1) These substances in an injectable form may be administered only by a licensed veterinarian;

(2) These substances in another form may be administered by the trainer if a veterinarian licensed by this state or another racing jurisdiction has prescribed or approved the use of the substances;

(3) These substances, except furosemide and phenylbutazone, may not be administered to a horse on the day the horse is scheduled to run;

(4) A veterinarian administering furosemide shall submit a written report to the commission veterinarian or the state steward on forms provided by the commission. The use of furosemide or phenylbutazone must be declared at the time of entry;

(5) Failure to submit the reports or to make the declarations required by subdivision (4) may subject the veterinarian and the trainer of the horse involved to disciplinary actions by the stewards or the commission;

(6) A horse noted on the veterinarian list as using an authorized substance which is suspected to be racing without that substance may be tested. If a urine or blood sample from the horse fails to disclose the presence of furosemide or phenylbutazone, the horse and its trainer may be subject to disciplinary actions by the stewards or the commission;

(7) For a horse being shipped into a licensed track in this state, a report from a licensed veterinarian of another racing jurisdiction certifying that the horse has been treated with an authorized drug in accordance with the provisions of this section may be accepted by the stewards. The report must be filed with the presiding steward or the commission veterinarian before 10:00 a.m. on the day of the race; and

(8) Notice of use of furosemide or phenylbutazone shall be given to the public.

**Source:** 4 SDR 85, effective June 15, 1978; 5 SDR 87, effective April 15, 1979; 6 SDR 77, effective February 3, 1980; transferred from § 20:04:05:37, 9 SDR 122, effective March 31, 1983; 12 SDR 151, 12 SDR 155, effective July 1, 1986; 16 SDR 129, effective February 4, 1990; 17 SDR 113, effective February 5, 1991; 21 SDR 98, effective November 30, 1994; 37 SDR 70, effective October 20, 2010; 43 SDR 150, effective June 1, 2017.

**General Authority:** SDCL 42-7-56(4).

**Law Implemented:** SDCL 42-7-56(4).

**Reference:** Association of Racing Commissioners International Controlled Therapeutic Medication Schedule for Horses Version ~~3.2 dated December 9, 2016~~ 4.2.1 dated December, 2020. Copies may be obtained from the Association of Racing Commissioners International web site at [www.arci.com](http://www.arci.com) free of charge.

**20:04:27:17. Penalties for violations.** When imposing a penalty for a violation of any rules pertaining to medication or drugs in a horse, the stewards and the commission shall follow the penalty guidelines established in the Association of Racing Commissioners International Uniform Classification Guidelines Version ~~13.00 dated December 9, 2016~~ 14.4 dated December, 2020, which is incorporated by reference.

A trainer who receives a penalty for a medication violation based on a horse testing positive for a drug Class 1 through 5 with a penalty Class A through C shall be assigned points as follows:

Penalty Class	Points if Controlled Therapeutic Substance	Points if Non-Controlled Substance
Class A	N/A	6
Class B	2	4
Class C	1/2 for first violation with an additional 1/2 point for each additional violation within 365 days	1 for first violation with an additional 1/2 point for each additional violation within 365 days
Class D	0	0

If the stewards or the commission determine that the violation is due to environmental contamination they may assign less points or no points against the trainer based on the specific facts of the case.

The stewards and the commission shall consider all points for violations in all racing jurisdictions as contained in the trainer's official record maintained by the Association of Racing Commissioners International.

In addition to the penalty imposed for the underlying offense the following enhancements shall be imposed upon a trainer based on the cumulative points contained in the trainer's record of violations maintained by the Association of Racing Commissioners International.

Points	Suspension in days
5 to 5.5	15 to 30
6 to 8.5	30 to 60
9 to 10.5	90 to 180
11 or more	180 to 360

The stewards and the commission shall consider aggravating and mitigating circumstances including the trainer's prior record of medication violations when determining the penalty for a violation of these rules.

Multi-medication violation points are intended to be a separate and additional penalty to be imposed upon a trainer who has a pattern of violations.

The stewards or commission ruling shall distinguish between the penalty for the underlying offense and any enhancement penalty based on a stewards or commission review of the trainer's cumulative record of violations.

**Source:** 43 SDR 150, effective June 1, 2017.

**General Authority:** SDCL 42-7-56(4).

**Law Implemented:** SDCL 42-7-56(4)(11), 42-7-93.

**Reference:** Association of Racing Commissioners International Uniform Classification Guidelines Version ~~13.00 dated December 9, 2016~~ 14.4 dated December, 2020. Copies may be obtained from the Association of Racing Commissioners International web site at [www.arci.com](http://www.arci.com) free of charge.

**20:18:06:13. Licensees contact information.** All licensees shall keep the ~~Commission~~ commission updated of their contact information including the licensee's mailing address and phone number.

**Commented [WS1]:** This should probably be lowercase, as it is in the code.

**Source:**

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

**Law Implemented:** 42-7B-19, 42-7B-21.

**CHAPTER 20:18:12.01**

**OPERATION OF GAMING ESTABLISHMENTS**

**Commented [WS2]:** The chapter index was not included in the rules packet, but the following edits should be considered.

Section

- 20:18:12.01:01 Gaming by licensees.
- 20:18:12.01:02 Discovery of violations.
- 20:18:12.01:03 Changing of games.
- 20:18:12.01:04 Unauthorized games.

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

20:18:12.01:24 Self-exclusion plan.

**Commented [WS3]:** The number assigned to this section in the rules packet that was recieved by the LRC was 20:18:12.01:26, but I'm not certain that last number was correct, so I've changed it to 20:18:12.01:24?

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

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

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

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

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

**Law Implemented:** SDCL 42-7B-2.1, 42-7B-7, ~~42-7B-11(13)~~.

**20:18:12.01:19. Manned surveillance rooms.** ~~Any licensee that operates house banked table games with a bet limit in excess of \$500 must have a manned surveillance room operating when house banked table games are open for play.~~ Transferred to Section § 20:18:29:13.01

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**Commented [WS4]:** The word "section" here is redundant. See pg 34 in rules drafting manual.

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

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

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

**Commented [WS5]:** Do not overstrike. See pg 34 in rules drafting manual.

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

**Commented [WS6]:** Should this say "must" instead of "shall"? I could be wrong.

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

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

**Law Implemented:** SDCL 42-7B-35., 42-7B-11(13).

**20:18:12.01:24 Patron protection information.** A licensee shall provide patron protection information to individuals and patrons on demand. The patron protection information must include:

(1) Information about potential risks associated with excessive wagering, and ~~contract~~ information for an organization based in South Dakota or the United States, approved by the commission, dedicated to helping people with potential gambling problems;

(2) Notification that underage gambling is a criminal offense and that anyone who facilitates an individual under the age of ~~21~~ twenty-one to place a sports bet has committed a criminal offense and ~~must be is~~ prohibited from gambling;

(3) A list of the available patron protection measures that can be invoked by the patron, such as self-exclusion and information on how to invoke those measures;

(4) For patron accounts, mechanisms in place for patrons to detect unauthorized use;

(5) Information on how disputes can be filed with the licensee pursuant to § 20:18:12.01:07; and

(6) The method for filing with the commission an unresolved dispute after all reasonable means to resolve the dispute with the licensee have been exhausted, pursuant to § 20:18:12.01:07.

**Source:**

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

**Law Implemented:** SDCL 42-7B-2.1(1), 42-7B-43.

**20:18:12:01:25 Integrity monitoring -- Personnel and notification.** A licensee ~~must shall~~ employ or retain persons responsible for ensuring the operation and integrity of gaming and reviewing all reports of suspicious behavior. Unless otherwise directed by the commission, a licensee ~~must shall~~ promptly notify the commission upon detecting or becoming aware of any of the following:

**Commented [WS7]:** "shall" should be used here to indicate a required action. See pg 14 in rules drafting manual.

(1) Any person participating in gaming who is engaging in or attempting to engage in, or who is reasonably suspected of, cheating, theft, embezzlement, collusion, use of funds derived from illegal activity, money laundering, or any other illegal activities;

(2) Any person who is reasonably suspected of misrepresenting their identity or using false identification to establish or attempt to establish a patron account;

(3) Suspected criminal activity related to any aspect of gaming;

(4) Any criminal or disciplinary proceedings commenced against the licensee in connection with its sports wagering operations; or

(5) Any wager that violates any applicable state or federal law.

A licensee ~~must shall~~ promptly notify any affected licensees of any issues impacting the integrity of gaming.

**Source:**

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

**Law Implemented:** SDCL 42-7B-2.1, 42-7B-43.

~~20:18:12.01:26~~20:18:12.01:24. Self-exclusion plan. A licensee conducting gaming shall develop a self-exclusion plan or voluntary exclusion plan to prevent any person, who informs the licensee of that person's desire to participate in a self-exclusion or voluntary exclusion program, from participating in gaming. This plan must be submitted to the executive secretary for review and approval. The plan must include monthly reporting of voluntarily excluded persons.

**Source:**

**Commented [WS8]:** There does not seem to be a 20:18:12.01:24 or 20:18:12.01:25, why was this numbered as 20:18:12.01:26?

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

**Law Implemented:** SDCL 42-7B-2.1(1), 42-7B-43.

**20:18:16:15.23. Variations of the play -- Dakota Duel Draw.** Dakota Duel Draw must be played according to the following rules:

(1) Dakota Duel Draw must be played on tables designated by the licensee for the play of Dakota Duel Draw. A single deck of cards must be used. The rank of hands in Dakota Duel Draw, from highest to lowest, is royal flush, straight flush, four of a kind, full house, flush, straight, three of a kind, two pair, pair, and high card;

(2) Each player shall make at least one initial bet in the amount specified at the table by the retail licensee and shall place the bet in either the big 8 wagering area or the hand 2 ante wagering area, or both. A player places the big 8 wager to play for hand value only; a player places the hand 2 ante bet to play a hand ranking payout; and a player places the hand 1 play bet to play for hand ranking payout. A player places all bets if the player wants to play all ways;

(3) Any dealer tip delivered as a wager may be placed on any one, or all, of the big 8, hand 2 ante, or hand 1 play, if the player has placed a personal wager on the same hand. If a player continues to play with a hand 1 play wager, the dealer's tip hand 2 ante may remain in play whether or not the player adds a hand 1 play wager for the dealer;

(4) Immediately before play begins and after each round of play has been completed, the dealer shall shuffle the cards. Following shuffle and cut, the dealer shall deal one card to hand 2 community card

and one card to hand 1 community card and one to each player, then a second card to hand 2 community card and hand 1 community card and one to each player, then a third card hand 2 community card and a third hand 1 community card, all cards are dealt face downward and one at a time in rotation among the community cards and the players cards;

(5) An incorrect number of cards dealt to a player or to the community cards is always a misdeal. An exposed card is not a misdeal. If the dealer exposes a card, the dealer turns the card over and continues dealing;

(6) Wagers are collected or paid in this order: pocket pair bonus, hand 1 play, hand 2 ante, and the big 8, if applicable;

(7) Once a player looks at the player's two face down cards, the player has the option to fold and forfeit the hand 2 ante bet or place a bet equal to the hand 2 ante on the hand 1 play. If the player has made a big 8 wager and forfeits the hand 2 ante, the player will place the cards face down in accordance with house policy. If the player places a hand 1 play bet, the player places the cards in accordance with house policy. Once a player makes a hand 1 play bet, the player is locked into the hand and must wait to see if the player hands rank high enough for a payout;

(8) If a player already has at least a straight or better, the player shall be paid on the big 8 wager. There is no action required for the big 8 wager. The big 8 wager is the best 5 cards out of the player's two cards and the six community cards on the board. After each player who wishes to fold has folded, the dealer collects the hand 2 ante. As the dealer collects the folded cards, the cards are spread face down to

count the cards and then placed in the discard rack; if the player folds his hand 2 ante and has a big 8 bet, the cards will be tucked under the big 8 wager, or according to house policy;

(9) After each player has decided to play or fold, the dealer shall expose the six community cards in two sets of three cards, and call out and show the best possible five-card hand that the players have for the hand 1 play, the hand 2 ante, and the big 8. Once the dealer has determined the players hand ranking for each wager remaining, the dealer will pay or take the bet or bets according to hand ranking for each wager. If the two cards dealt to the player are a pair, the player will receive a bonus according to the pocket pair bonus. This bonus will be paid only if the player plays the hand 1 play. The pocket pair bonus is paid according to the amount played on hand 1. The pocket pair bonus is paid regardless of whether the player loses any of the other wagers;

(10) Players are paid according to the following hand 1 play and hand 2 ante payment schedule, which must be included as part of the table layout:

Hand	Pay
Royal Flush	100 to 1
Straight Flush	50 to 1
4 of a Kind	30 to 1
Full House	8 to 1
Flush	6 to 1
Straight	4 to 1
3 of a Kind	3 to 1

2 pair	2 to 1
Pair, Nines or Higher	2 to 1

(11) Players are paid the pocket pair bonus according to the following pocket pair bonus play schedule, which must be included as part of table layout:

Pair	Paytable 1	Paytable 2	Paytable 3	Paytable 4	Paytable 5	Paytable
AA	4x	4x	4x	20x	20x	6
KK	4x	4x	4x	10x	10x	
QQ	4s	4x	4x	8x	4x	
JJ	4x	4x	4x	3x	4x	
1010	4x	4x	3x	3x	4x	
99	4x	4x	3x	3x	4x	
88	4x	4x	3x	N/A	N/A	
77	4x	3x	3x	N/A	N/A	
66	4x	3x	3x	N/A	N/A	
55	4x	3x	3x	N/A	N/A	
44	3x	3x	3x	N/A	N/A	
33	3x	3x	3x	N/A	N/A	
22	3x	3x	3x	N/A	N/A	

**Commented [WS9]:** Should these last columns remain blank? I don't quite understand, perhaps these should be filled with "N/A" like other cells in this chart?



(12) If a player has a big 8 bet and the player’s hand contains a straight or better, the player wins.

If the player’s hand contains less than a straight the player loses. Players are paid according to the following big 8 payment schedule, which must be included as part of the table layout:

Hand	Paytable	Paytable 2	Paytable 3	Paytable 4	Paytable 5	Paytable	Paytable
	1					6	7
Royal Flush	50 to 1	50 to 1	50 to 1	50 to 1	80 to 1		
Straight Flush	30 to 1	30 to 1	30 to 1	35 to 1	40 to 1		
4 of a Kind	15 to 1	20 to 1	20 to 1	30 to 1	30 to 1		
Full House	5 to 1	5 to 1	6 to 1	4 to 1	4 to 1		
Flush	3 to 1	4 to 1	3 to 1	3 to 1	3 to 1		
Straight	2 to 1	1 to 1	1 to 1	2 to 1	2 to 1		

Commented [WS10]: Same question as above.

Source: 47 SDR 109, effective April 26, 2021; 48 SDR 61, effective December 8, 2021.

General Authority: SDCL 42-7B-7.

Law Implemented: SDCL 42-7B-4(18), 42-7B-7, 42-7B-15.

CHAPTER 20:18:29

Commented [WS11]: The chapter index was not included in the rules packet, but the following edits should be considered.

SECURITY AND SURVEILLANCE

Section

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- 20:18:29:01 Security and surveillance required.
- 20:18:29:02 Closed-circuit surveillance system.
- 20:18:29:03 Areas requiring surveillance during hours of operation.
- 20:18:29:03.01 Visual surveillance for tournament play.
- 20:18:29:04 Additional surveillance of cashier's cages, slot areas, and count rooms.  
Repealed.
- 20:18:29:05 Slot machines with award capability of \$12,000 or greater. Transferred.
- 20:18:29:06 Recording and monitoring.
- 20:18:29:07 Surveillance equipment malfunctions.
- 20:18:29:08 Securing and retaining recorded video images.
- 20:18:29:09 Repealed.
- 20:18:29:10 Number of recorders.
- 20:18:29:11 Surveillance plan.
- 20:18:29:12 Maintenance records.
- 20:18:29:13 Surveillance room.
- 20:18:29:13.01 Manned surveillance rooms.
- 20:18:29:14 Quality review of recorded surveillance video images.

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**20:18:29:03. Areas requiring surveillance during hours of operation.** The surveillance system must monitor and record clear, unobstructed, and overall views of the following areas and meeting the specified performance requirements within the licensed premises during the hours of operation:

(1) Blackjack and poker areas, equipped with a pan, tilt, and zoom camera capable of observing players and employees;

(2) Blackjack and poker tables, equipped with one still camera for each table capable of observing card table surfaces, including table bank trays;

(3) Table numbers;

(4) Players, dealers, spectators, and pit personnel with sufficient clarity to permit identification;

(5) Cashier's cages, including customers at the cage window, employee's window, cash drawers, vaults, safes, counters, chip storage, and fill window of the cashier's cage. The table game fill window of the cashier's cage and poker podium must be recorded in color. Each cash transaction occurring within the cage must be recorded with sufficient clarity to permit identification of currency, coins, tokens, fill slips, and other related paperwork;

(6) Areas within a count room, including walls, doors, scales, wrapping machines, coin sorters, stored drop boxes, vaults, safes, general work areas, and entrances to the room. Recording in the soft count rooms must include audio;

(7) Poker podium, each transaction occurring at the poker podium must be recorded with sufficient clarity to permit identification of currency, coins, tokens, fill slips, and other related paperwork;

(8) If the license allows bets in excess of ~~\$100~~ one hundred dollars on blackjack or house banked poker games, the licensee must provide fixed cameras that are capable of observing such gaming areas with sufficient clarity to permit identification of players, dealers, spectators, and pit personnel;

(9) Craps tables must be equipped with a stationary color camera positioned to provide an overview of the entire table, to view the rails which hold any chips, the table trays, drop slots, and tip boxes. Two PTZ cameras are required for every craps table. All PTZ cameras must be color cameras and be able to determine the value of any and all wagers made;

(10) Roulette tables must be equipped with a stationary color camera positioned to provide an overview of the entire table, to view the rails which hold any chips, the table trays, drop slots, and tip boxes. The camera coverage must also cover the wheel, and be able to determine the outcome of the game. One PTZ camera is required for every roulette table. The PTZ camera must be color cameras and be able to determine the value of all wagers;

(11) Live sports wagering windows, including customers at the window and cash drawers used to place or redeem tickets or vouchers from wagering on sporting events;

(12) Kiosks used to redeem slot machine payout tickets, including a view capable of identifying the customer using the kiosk; ~~and~~

(13) Kiosks used for placing wagers or redeeming tickets or vouchers from slot machines or wagering on sporting events, including a view capable of identifying the customer using the kiosk-; and

(15) A licensee ~~must shall~~ install a closed-circuit system to surveil cashier cages, slot areas, and each slot machine which has an award of ~~\$12,000~~ twelve thousand dollars or greater. The system must continuously record a clear, unobstructed view of the lights, handle, and play buttons of the device as well as the patrons. The video shall be clear enough to assist in determining ~~game outcome.~~

**Source:** 19 SDR 195, effective June 21, 1993; 22 SDR 95, effective January 18, 1996; 35 SDR 184, effective February 2, 2009; 38 SDR 213, effective June 18, 2012; 41 SDR 218, effective July 1, 2015; 47 SDR 137, effective June 28, 2021.

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

**Law Implemented:** SDCL ~~42-7B-1, 42-7B-7~~, 42-7B-11(2)(13), 42-7B-17.

**20:18:29:04.** Additional surveillance of cashier's cages, slot areas, and count rooms. ~~In addition to the requirements of § 20:18:29:03, cashier's cages, slot areas with slot machines with an award of \$12,000 or greater as required by § 20:18:29:05, and count rooms must be recorded at all times.~~  
Transferred to Section §24:18:29:03. Repealed.

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**Commented [WS12]:** This isn't really a transfer, is it? This seems like more of a repeal, since the changes in 24:18:29:03 include only the transferred language from 20:18:29:05.

**Source:** 19 SDR 195, effective June 21, 1993; 20 SDR 113, effective January 23, 1994; 23 SDR 227, effective July 1, 1997; 44 SDR 151, effective April 30, 2018.

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

**Law Implemented:** SDCL 42-7B-7, 42-7B-11(2), 42-7B-17.

**20:18:29:05. Slot machines with award capability of \$12,000 or greater.** A licensee must install a closed-circuit system to surveil each slot machine that has an award of \$12,000 or greater. The system must continuously record with a clear, unobstructed view of the lights, handle, play buttons of the device, and patrons. Transferred to Section § 20:18:29:03.

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**Commented [WS13]:** "Section" is redundant here. See pg 34 in rules drafting manual.

**Source:** 19 SDR 195, effective June 21, 1993; 34 SDR 200, effective January 29, 2008; 40 SDR 101, effective December 2, 2013; 43 SDR 131, effective April 17, 2017.

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**Commented [WS14]:** Do not overstrike. See pg 34 in rules drafting manual.

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

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**Law Implemented:** SDCL 42-7B-7, 42-7B-11(2)(11)(13), 42-7B-17.

**20:18:29:08. Securing and retaining recorded video images.** A licensee must shall retain in a secure manner all recorded video images for a period of fourteen days. The fourteen-day retention requirement is effective immediately for any licensed premises allowing bets in excess of one hundred dollars. ~~All other licensed premises must retain video images for a period of seven days and comply with the fourteen-day retention requirement effective July 1, 2013.~~ The executive secretary or the commission may require the video images to be kept for a longer time. The licensee must shall retain a video image in which there are suspected unusual or irregular activities or in which activities appear to violate any criminal statute of this state, the United States, or SDCL chapter 42-7B or the rules promulgated under it and must notify the executive director immediately. All closed-circuit images which are determined by the executive secretary, the commission, or its agent to be of potential evidentiary value must be secured

**Commented [WS15]:** "Shall" should be used here to indicate a required action. see pg 14 in rules drafting manual.

and retained until the commission has given the licensee written notice that the images need not be retained.

**Source:** 19 SDR 195, effective June 21, 1993; 35 SDR 184, effective February 2, 2009; 38 SDR 213, effective June 18, 2012.

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

**Law Implemented:** SDCL 42-7B-7, 42-7B-11(2)(11)(13).

~~20:18:12.01:19~~ **20:18:29:13.01 -Manned surveillance rooms.** Any licensee that operates house banked table games with a bet limit in excess of ~~\$500 five hundred dollars~~ must shall have a manned surveillance room operating when the house banked table games are open for play.

**Source:** 19 SDR 195, effective June 21, 1993; 22 SDR 95, effective January 18, 1996; 41 SDR 218, effective July 1, 2015; transferred from Section § 20:18:12.01:19.

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

**Law Implemented:** SDCL 42-7B-7, 42-7B-11(2)(11)(13).

**20:18:35:01. Definitions.** As used in this chapter:

- (1) "Card" ~~means~~ the list of sporting events from which a patron can make selections for a given

**Commented [WS16]:** "means" is not used in sections to define terms. See pg 26 in rules drafting manual.

pool;

(2) “Collegiate sporting event” ~~means~~ an athletic competition or event between two or more colleges or universities;

(3) “Event category” ~~means~~ a specific type of event governed by a specific sports governing body or other oversight body;

(4) “Event integrity monitoring” ~~means~~ the monitoring of sports wagering to identify unusual or suspicious wagering activities from a match-fixing and sporting corruption standpoint and then reporting such activities to required parties;

(5) “Exchange wagering” ~~means~~ a form of wagering in which two or more persons place identically opposing wagers in a given market, allowing patrons to wager on both winning and nonwinning outcomes in the same event;

(6) “In-game wagering” ~~means~~ placing a sports bet after a sporting event has started;

(7) “Independent integrity monitoring provider” ~~means~~ an independent person who is registered with the commission and who receives reports of unusual wagering activity from the commission, a licensee, or a sports wagering services provider for the purpose of assisting in identifying suspicious wagering activity;

(8) “International sporting event” ~~means~~ an international team or individual sporting event governed by an international sports federation or sport’s governing body, including sporting events governed by the International Olympic Committee and the International Federation of Association Football;

(9) “Internet” ~~means~~ the international computer network of interoperable packet-switched data networks;

(10) “Involuntarily excluded person” ~~means~~ any individual who has been involuntarily excluded by the executive secretary or the commission and who is prohibited from establishing a wagering account



or participating in gambling, gaming or wagering activities under the jurisdiction of the commission;

(11) "Layoff wager" ~~means~~ a wager placed by a sports wagering operation with another sports operation for the purpose of offsetting patron wagers;

(12) "Minor league sporting event" ~~means~~ a sporting event conducted by a sports league that has not been classified by the commission as a premier league in the sport;

(13) "Mobile application" ~~means~~ an application on a mobile phone or other devices through which an individual is able to place a sports bet;

(14) "Parlay bet" ~~means~~ a single sports bet that incorporates two or more individual bets for purposes of earning a higher payout if each bet wins, or a combination wager of multiple parlay bets for purposes of not necessarily winning all legs of the parlay to get a pay out;

(15) "Patron" ~~means~~ a person who places a sports bet;

(16) "Person" ~~means~~ an individual, partnership, corporation, association, limited liability company, or other legal entity;

(17) "Personal identifying information" ~~means~~ any sensitive information that could potentially be used to identify a particular patron;

(18) "Pool" ~~means~~ an offering where patrons may make selections of outcomes on a set number of sporting events on a card in order to enter for a chance to win all or a portion of the prize pool;

(19) "Prize pool" ~~means~~ the prize available for an individual tournament, contest, or pool;

(20) "Professional sporting event" ~~means~~ a sporting event, other than a minor league sporting event, in which two or more persons participate and receive remuneration in excess of their out-of-pocket expenses for participating in the event;

(21) "Prohibited person" ~~means~~ any person who:

(A) Has been placed on the list of excluded persons pursuant to SDCL 42-7B-61;

(B) Is under the age of ~~21~~ twenty-one;

- (C) Is an employee of, or appointee to, the South Dakota Gaming Commission;
- (D) Is wagering while not in the permitted boundary pursuant to SDCL 42-7B-79;
- (E) Is wagering on behalf of another;
- (F) Is wagering in violation of SDCL 42-7B-83;
- (G) Is wagering in violation of state, local, or federal law;
- (H) Is employing a wagering account in a suspended mode; or
- (I) Is determined by the Commission to be prohibited from wagering through a contested

case;

(22) "Rake" ~~means~~ the fee that is deducted by a licensee or sports wagering services provider from a wager made for exchange wagering, or entry fees paid by patrons who participate in a tournament, contest, or pool;

(23) "Rake adjustment" ~~means~~ an adjustment made by the licensee or sports wagering services provider to account for any shortfall in connection with a tournament, contest, or pool;

(24) "Sensitive information" ~~means~~ information such as transactional wagering data, authentication credentials, secure seeds and keys, and other data that must be handled in a secure manner;

(25) "Shared liquidity pool" ~~means~~ a tournament, contest, or pool conducted in South Dakota and at least one other jurisdiction;

(26) "Sporting event" ~~means~~ a contest or competition between individuals or teams, the results are determined at least in part by the skill or ability of an individual athlete or competitor or a team that is competing in the event;

(27) "Sporting event official" ~~means~~ any official as recognized by the respective sports governing body;

(28) "Sports bet" ~~means~~ an amount placed as a wager on the results of a sporting event, a contingency during a sporting event, or the performance or nonperformance of an athlete or competitor during a sporting event;

(29) "Sports governing body" ~~means~~ an organization that prescribes final rules and enforces codes of conduct for a sporting event and the athletes or competitors in the sporting event;

(30) "Sports wagering" ~~means~~ the acceptance of a wager on an authorized sporting event by any system of wagering authorized by the commission;

(31) "Sports wagering area" ~~means~~ the designated location in a gaming establishment approved by the commission, in which sports wagering may be conducted;

(32) "Sports wagering kiosk" ~~means~~ an automated device used by patrons to make wagers on sporting events, obtain wagering information, process sports wagering tickets and sports wagering vouchers, manage wagering accounts, and any other automated functions

(33) "Sports wagering operation" ~~means~~ a licensed operator in conjunction with a licensed sports wagering services provider who offers sports wagering to the public;

(34) "Sports wagering revenue" ~~means~~ the total of all wagers placed by patrons with a licensee, excluding free wagers and promotional play, minus all payments to patrons;

(35) "Sports wagering services provider" ~~means~~ a person who maintains or operates the software or hardware of a sports wagering system or facilitates wagering on a sporting event by providing a service defined in SDCL subdivision 42-7B-4(43);

(36) "Sports wagering system" ~~means~~ the hardware, software, firmware, communications technology, other equipment, as well as operator procedures implemented in order to allow patron participation in sports wagering, and, if supported, the corresponding equipment related to the display of the wager outcomes, and other similar information necessary to facilitate patron participation;

(37) "Sports wagering ticket" ~~means~~ a printed document or other electronic record that contains information pertaining to a sports bet;

(38) "Sports wagering voucher" ~~means~~ a printed record, or digital representation thereof, issued by a sports wagering system that may be used to fund a sports bet or may be redeemable for cash;

(39) "Suspicious wagering activity" ~~means~~ unusual wagering activity that is indicative of match fixing, the manipulation of an event, misuse of inside information, or other prohibited activity;

(40) "Unusual wagering activity" ~~means~~ abnormal wagering activity exhibited by patrons and deemed by the sports wagering operation as a potential indicator of suspicious activity;

(41) "Voluntarily-excluded person" ~~means~~ any individual whose name is included, at the individual's request, on a self-exclusion list;

(42) "Winnings" ~~mean~~ the total cash value of all property or sums, including currency or instruments of monetary value paid to a patron by a licensee as a direct result of a winning sports bet.

**Source:** 48 SDR 14, effective August 22, 2021; 48 SDR 61, effective December 8, 2021.

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

**Law Implemented:** SDCL 42-7B-2.1(1), 42-7B-43.

Example: (3) "Event Category": Professional Hockey governed by the National Hockey League