

## **Petition from the Public**

**Submitted by: Ashford Gaming, LLC**

- **Allowing a new type of wager for the card game Mini-Baccarat.**

**October 2013 – Up for Further Discussion**

**September 2013 – Up for Discussion and Possible Filing**

**August 2013 – Study Session**

### **ITEM: 6**

- a) **Amendatory Section WAC 230-15-040**  
Requirements for authorized card games.



Proposed Amendment to  
WAC 230-15-040 Requirements for authorized card games.

October 2013 – Up for Further Discussion  
September 2013 – Up for Discussion and Possible Filing  
August 2013 – Study Session

ITEM 6(a) on the October 2013 Commission Meeting Agenda. Statutory Authority 9.46.070, 9.46.0282

Who proposed the rule change?

Ashford Kneitel, Ashford Gaming LLC, currently not a licensee.

Proposed Change

The petitioner is requesting in the game of Mini-Baccarat that a player be allowed to make an optional wager on either the player hand or banker hand winning the next three consecutive games. Under the current rule, a player's win or loss must be determined during a *single* card game. Mini-Baccarat uses community cards where two shared hands are dealt to positions called the "bank" and the "player;" but, unlike other card games, players are not dealt their own individual hands. Players bet on one of the two shared hands dealt, rather than on their own hand.

The petitioner has not yet submitted this new card game for formal staff review. The petitioner informally discussed the concept of his game with a Special Agent, who advised him the game would not be authorized because the player's win or loss must be determined during a single card game. Therefore, he is submitting this petition for a rule change.

***Information added since the September meeting is in bold italics.***

Attachments:

- Proposed amendment to WAC 230-15-040.
- Letter dated July 18, 2013, and Petition for Rule Change from Ashford Kneitel.
- ***Standard Operating Procedures (game rules) for Mini-Baccarat.***
- Game rules for "Baccarat World."
- Letter dated March 5, 2013, from the Nevada Gaming Control Board granting approval to operate "Baccarat World" in Nevada.

History of Rule

In 2008, Mini-Baccarat was authorized as a card game in Washington in response to a petition for rule change from the card room industry.

WAC 230-15-040 requires a player's win or loss to be determined during the course of a *single* card game.

In July 2012, this rule was amended to allow for carryover pots. A carryover pot is an optional pot that accumulates as a dealer and participating players contribute to the pot. The pot is not necessarily determined after one game and can be carried over to more than one game. Carryover pots can carry over for up to ten (10) games. Participants include at least one player and the dealer competing for the highest winning hand. Game rules determine how the pot is distributed.

Impact of the Proposed Change

House-banked card room operators would be allowed in the game of Mini-Baccarat to offer players an optional wager on the player or banker hand winning the next three consecutive games.

**A Small Business Economic Impact Statement** was not prepared because the rule change would not impose additional costs on any licensees because licensees are not required to offer Mini-Baccarat.

**Regulatory Concerns**

Staff is not aware of any complaints related to the 2012 change allowing carryover pots. Based on the experience with the 2012 change, staff doesn't anticipate significant regulatory concerns with the petitioner's proposal.

**Nevada:**

This game is authorized in Nevada (authorization letter attached). Staff spoke with an agent from the Nevada Gaming Control Board about this game. We were told Nevada does not track games after they are approved, so they did not know if the game is popular or how many casinos operate the game. The Nevada agent was not aware of any complaints regarding the game.

**Resource Impacts**

New card games may be submitted for review and approval to be played in Washington State. When new card games are submitted for formal staff review, agents from both Field and Licensing Operations review game rules for compliance with rules and laws. Agents' time spent to review new games is reimbursed by the individual that submits the game.

**Policy Consideration**

None.

**Statements Supporting the Proposed Rule Change**

At the October 2013 Commission meeting, the petitioner testified in support of his petition.

**Statements Opposing the Proposed Rule Change**

None.

**Stakeholders Directly Impacted By the Change**

House-banked card game licensees that offer the game Mini-Baccarat, manufacturers, distributors, and service suppliers.

*If approved, Tribal casinos would also be able to offer this game.*

**Staff Recommendation**

Further discussion.

**Proposed Effective Date for Rule Change**

January 1, 2014.

## **Amendatory Section:**

### **WAC 230-15-040 Requirements for authorized card games.**

(1) In order for a card game to be authorized, it must be approved by the director or the director's designee and must:

(a) Be played with standard playing cards or with electronic card facsimiles approved by the director or the director's designee; and

(b) Offer no more than four separate games with a single hand of cards. However, no more than three of the games may offer a wager that exceeds five dollars each. We consider bonus features and progressive jackpots separate games. If a player does not have to place a separate wager to participate, we do not consider it a separate game. An example of this is an "envy" or "share the wealth" pay out when another player achieves a specific hand; and

(c) Not allow side bets between players.

(2) Card game licensees may use more than one deck of cards for a specific game. They also may remove cards to comply with rules of a specific game, such as Pinochle or Spanish 21.

(3) Players must:

(a) Compete against all other players on an equal basis for nonhouse-banked games or against the house for house-banked games. All players must compete solely as a player in the card game; and

(b) Receive their own hand of cards and be responsible for decisions regarding such hand, such as whether to fold, discard, draw additional cards, or raise the wager; and

(c) Not place wagers on any other player's or the house's hand or make side wagers with other players, except for:

(i) An insurance wager placed in the game of Blackjack; or

(ii) An "envy" or "share the wealth" wager which allows a player to receive a prize if another player

(iii) A tip wager made on behalf of a dealer.

(4) Mini-Baccarat is authorized when operated in the manner explained for Baccarat in the most current version of *The New Complete Hoyle, Revised* or *Hoyle's Encyclopedia of Card Games*, or similar authoritative book on card games we have approved. However:

(a) Card game licensees may make immaterial modifications to the game; and

(b) Subsection (3) of this section does not apply; and

(c) The number of players is limited under WAC 230-15-055.

(5) A player's win or loss must be determined during the course of play of a single card game, except for:

(a) A carryover pot game. A carryover pot is an optional pot that accumulates as a dealer and participating players contribute to the pot. The winner of the pot is not necessarily determined after one game and the pot can be carried over to more than one game. Carryover pots must not carryover more than ten games. Participants must include at least one player and the dealer competing for the highest qualifying winning hand. Game rules must state how the pot is distributed. If the carryover pot has not been won by the tenth game, the dealer will divide it equally between the remaining players still participating in the pot and the house or, if allowed by game rules, only the players still participating in the pot; and ((:))

(b) In the game of Mini-Baccarat, a player may make an optional wager on the player hand winning the next three consecutive games, or the banker hand winning the next three consecutive games.

July 18, 2013

To: Washington State Gambling Commission

From: Ashford Kneitel, Manager  
Ashford Gaming LLC  
10620 Southern Highlands Pkwy  
STE 110-138  
Las Vegas, NV 89141

Email: [Ashford@AshfordGaming.com](mailto:Ashford@AshfordGaming.com)  
Phone: (310) 435-5865

I am submitting this form in order to propose a rule amendment to WAC 230-15-040. This change will allow me to market a new bonus bet for the game of mini-baccarat. The game is currently approved in Nevada, and I am including the approval letter from the Nevada Gaming Control Board. You will notice that my company name is different from my company name in the Nevada letter. This is due to a business name change in order to better reflect the product offering. The name of the game, "Baccarat World," remains the same and is still approved in Nevada. Thank you for your time and consideration!



## PETITION FOR ADOPTION, AMENDMENT, OR REPEAL OF A STATE ADMINISTRATIVE RULE

Print Form

In accordance with [RCW 34.05.330](#), the Office of Financial Management (OFM) created this form for individuals or groups who wish to petition a state agency or institution of higher education to adopt, amend, or repeal an administrative rule. You may use this form to submit your request. You also may contact agencies using other formats, such as a letter or email.

The agency or institution will give full consideration to your petition and will respond to you within 60 days of receiving your petition. For more information on the rule petition process, see Chapter 82-05 of the Washington Administrative Code (WAC) at <http://apps.leg.wa.gov/wac/default.aspx?cite=82-05>.

### CONTACT INFORMATION *(please type or print)*

Petitioner's Name Ashford Kneitel  
Name of Organization Ashford Gaming LLC  
Mailing Address 10620 Southern Highlands Pkwy, STE 110-138  
City Las Vegas State NV Zip Code 89141  
Telephone (310) 435-5865 Email Ashford@AshfordGaming.com

### COMPLETING AND SENDING PETITION FORM

- Check all of the boxes that apply.
- Provide relevant examples.
- Include suggested language for a rule, if possible.
- Attach additional pages, if needed.
- Send your petition to the agency with authority to adopt or administer the rule. Here is a list of agencies and their rules coordinators: <http://www.leg.wa.gov/CodeReviser/Documents/RClist.htm>.

### INFORMATION ON RULE PETITION

Agency responsible for adopting or administering the rule: Washington State Gambling Commission

1. NEW RULE - I am requesting the agency to adopt a new rule.

The subject (or purpose) of this rule is: \_\_\_\_\_

The rule is needed because: \_\_\_\_\_

The new rule would affect the following people or groups: \_\_\_\_\_

**2. AMEND RULE - I am requesting the agency to change an existing rule.**

List rule number (WAC), if known: 230-15-040

- I am requesting the following change: To allow a player to wager on a streak of three consecutive games of mini-baccarat.
- This change is needed because: This rule change is needed to market a new game in the State of Washington.
- The effect of this rule change will be: Players will be able to wager on a streak of three consecutive games of mini-baccarat.
- The rule is not clearly or simply stated: \_\_\_\_\_

**3. REPEAL RULE - I am requesting the agency to eliminate an existing rule.**

List rule number (WAC), if known: \_\_\_\_\_

*(Check one or more boxes)*

- It does not do what it was intended to do.
- It is no longer needed because: \_\_\_\_\_
- It imposes unreasonable costs: \_\_\_\_\_
- The agency has no authority to make this rule: \_\_\_\_\_
- It is applied differently to public and private parties: \_\_\_\_\_
- It conflicts with another federal, state, or local law or rule. List conflicting law or rule, if known: \_\_\_\_\_
- It duplicates another federal, state or local law or rule. List duplicate law or rule, if known: \_\_\_\_\_
- Other (please explain): \_\_\_\_\_

# WASHINGTON STATE GAMBLING COMMISSION

## MINI- BACCARAT

### STANDARD OPERATING PROCEDURES

#### Overview

1. Within the game of baccarat, there are two different games which can be played. The first game is to bet on either the Player or Banker hand winning and the second game is betting on a Tie hand.
2. There are three betting positions for each betting spot at the Mini-Baccarat table. They are **Player**, **Banker**, and **Tie**. Each of these positions represents the possible outcome of the hands. Players may wager on any one of these or a combination of Player/Tie or Banker/Tie before the hands are dealt.
3. To begin the play, two cards are dealt out to each side. These cards can be dealt face down, face up, or any combination of face down and face up. The first card is dealt to the Player. The second to the Banker, the third card is dealt to the Player and the fourth is dealt to the Banker. If applicable, the dealer will first turn up the Player hand and call out the total of the cards. If applicable, the dealer will then turn up the Banker hand and call out the total of the cards.
4. The highest possible total to any hand is 9. The lowest is 0. The hand (Player, Banker) closest to 9 wins. If both of the hands end up with the same total, it is called a Tie.
5. The total of the first two cards for each hand will determine if the hand will receive a third card or not. Tens and face cards count as 0 or what is referred to as "nothing". Any other cards count as their face value. When the dealer adds up the hand and the count is higher than 9, the count will then become 0 again instead of 10.
6. The rule that determines whether or not the Banker will get a third card is called the Third Card Rule. All winning hands on the Banker side may be charged up to a 5% commission. Any commissions charged on a winning Banker hand must be collected at the conclusion of each hand.
7. If both Player and Banker have the same total at the end of the hand it is called a Tie Hand and the bets do not win or lose.
8. Each of the hands (Player and Banker) will have either a "Stand Hand" or a "Draw Hand" on the first two cards dealt to them. The diagrams that follow explain the different types of hands, under the "Stand Rule" in the game of mini-baccarat.
9. Ghost hands: An operator may offer the "ghost hand" option to players. Customers may request the dealer to deal a ghost hand, which entails all cards in the hand being dealt face up but no wagers are placed on this hand. The maximum number of Ghost Hands allowed shall be determined by the house and included in their internal controls.

#### Mini -Baccarat

Mini-Baccarat consists of two hands dealt from a multiple deck shoe using up to 8 decks. One hand is called the Player's hand; the other is called the Banker's hand. Each hand consists of two cards each (minimum), or three cards each (maximum).

After the hands are dealt out and turned up in the designated areas, the cards are totaled and, using the last digit only, the hand closest to nine wins. In other words 16 becomes 6, 20 becomes 0, and 19 becomes 9. If the two

hands have the same total the hand is a Tie and neither hand wins or loses. If either hand has 8 or 9 it is called a "Natural" winner.

The cards are valued as follows:

Ace = 1  
 2 – 9 = Face Value  
 Tens and face cards = Zero or nothing

### Rules: Player

Player's first two cards total:	Action	Announce
0 – 5	Draws a card	Based on licensees internal controls
6 – 7	Stands	Based on licensees internal controls
8 – 9	Natural – Neither Hand draws	Based on licensees internal controls

### Rules: Banker

When the **Player** stands on 6 or 7 the **Banker** will always draw on totals of 0 through 5, and stand on 6 through 9.

Banker's first two cards total:	Draws when Player's Third card is:	Announce
0,1,2	Always draws	Based on licensees internal controls
3	Draws unless Player's third card is 8	Based on licensees internal controls
4	2 – 7	Based on licensees internal controls
5	4 – 7	Based on licensees internal controls
6	6 – 7	Based on licensees internal controls

7	Stands	<b>Based on licensees internal controls</b>
8 – 9	Natural – Neither hand draws	<b>Based on licensees internal controls</b>

### **Procedure for dealing Mini-Baccarat**

Before the dealer begins to deal:

1. Case the layout and make sure that all of the Player's bets are in the appropriate betting areas.
2. If applicable, make the necessary announcements documented in the casinos internal controls.

When the cards are in play:

1. Deliver the Banker and Player cards out of the shoe face down or face up. The first and third cards dealt will make up the Player hand and the second and fourth cards dealt make up the Banker hand. The Player cards are to be delivered to the designated Player area face down or face up. The Banker cards can be placed under the lip of the shoe face down or dealt directly to the designated Banker area face down or face up.
2. If applicable, spread the Player hand face up and make any applicable announcements as soon as you turn it face up.
3. If applicable, spread the Banker hand face up to the left of the Player hand and make any applicable announcements.
4. Announce if the Player draws, and deliver one card face up and sideways to the right of the Players hand.
5. Announce if the Banker draws and the total.
6. Draw 1 card for the Banker hand when applicable, and deliver it face up to the left of the Banker hand. Be sure to turn the Banker third card sideways also.
7. Announce the winner. Take all losing bets based on internal controls.
8. Pay all winning bets, collecting commission as you go, if applicable, based on internal controls.
9. If the outcome results in a Tie hand, the Player and Banker bets are considered pushes.

### **Mini-Baccarat Announcements**

The purpose for announcing the action in a Mini-Baccarat game is to keep the customers involved in the game as well as informed as to what is taking place. If any announcements are made, they must be documented in the internal controls.

All of the Mini-Baccarat announcements are separated and arranged into 3 categories.

1. Before: Before the hands are dealt out
2. During: During the play of the hands.
3. After: After the decision.

Each announcement is designed to serve a defined purpose in the game.

1. Before: These announcements are to ask the participants to prepare for the next hand.
2. During: These announcements are in the form of commands and are the actual calling of the game.
3. After: These announcements are to tell the Players or the Floor Supervisor something specific concerning the game.

Below and on the following page are basic calls that may be used in the game as they come up in the three different categories. Whichever calls used by the casino must be documented in the internal controls.

**Before:** "Place your bets please".  
"All bets set", or "bets please".

**During:** **Player**  
"Player shows nothing"  
"Player shows 1, 2, 3, 4, or 5"  
"Player shows 6 or 7 and must stand"  
"Player shows a Natural 8 or 9. There will be no draws."

**Banker**  
"Bank has nothing or Baccarat"  
"Bank has 1, 2, 3, 4, 5 or 6"  
"Bank has 7 and must stand"  
"Bank wins with a Natural 8 or 9"  
"Bank ties it up 8 – 8 or 9 – 9"

**General Call**  
Card for the player  
Draw Bank and the number to beat.

**Decision:** **Player wins ... over...**  
**Bank wins ... over ....**  
**We have a Tie hand** \_\_\_ \_\_\_ **or Bank ties it up** \_\_\_ \_\_\_ (example 6 - 6 or 7 - 7)

**Note:** The dealer will always indicate to the players which hand won based on the procedures in their internal controls.

**Shuffle:** The game can be either shuffled by hand or with a shuffling machine. All shuffling procedures must be documented in the internal controls.

**Burn**  
**Procedure:** All procedures relating to the card/cards burning must be documented in the internal controls.

**Pay**  
**Procedures:** The hand closest to 9 wins.

All winning bets are paid even money.

Winning **Bank** bets may be charged up to a 5% commission.

**Tie** bets pay at least 8 to 1.

## World™

A bonus bet for baccarat



### Premise:

The player may bet on a streak of three Banker wins, or on a streak of three Player wins. The bet pays 9 to 1 (labeled 10 for 1 on the layout).

- Baccarat players are always looking for streaks, so let's give them a way to bet on it!
- Provides players a way to 'press' their desired winning side.
- Players can also use the bet as a way to 'hedge' their standard baccarat bet, although, of course there is no way to actually hedge the bet - it will only increase the house advantage.

### House Advantage:

Player side = 11.14%. Banker side = 3.55%.

Contact us today:  
(310) 435-5865  
Ashford@AshfordGaming.com

Ashford Gaming™

### Procedures for the baccarat World™ wager

1. The *World* consists of two betting opportunities: The guest can wager that the Banker side will win the next three hands in a row. Alternatively, the guest can wager that the Player side will win the next three hands in a row.
2. The payout for a winning *Banker World* wager is 9-to-1. The payout for a winning *Player World* wager is either 9-to-1 or 10-to-1 (casino's choice of which payout to offer).
3. The guest loses the *World* wager if there is a loss for the chosen side or a tie during the next three hands.
4. The guest can make a *World* wager on any round, including those rounds where the guest already has an unresolved *World* wager. The guest may also wager on both the *Player World* and *Banker World* at the same time.
5. It is the casino's discretion whether to make a guest wager on the standard baccarat game in order to place a *World* wager.
6. The guest may remove their unresolved *World* wager at any time prior to a new hand being dealt. This would be advantageous to the casino (similar to a guest removing their *don't pass* wager after a point is established in craps).
7. If the end of the shoe is reached, and an unresolved *World* wager remains, then the guest may either remove their wager, or continue the wager to the next shoe.

**How to track the *World* wager:** After the desired hand wins, the dealer moves the wager from the *World* betting area to the first tracking spot. After the second win, the dealer moves the wager to the second tracking spot. The wager is paid after the third consecutive win.



BRIAN SANDOVAL  
Governor

March 5, 2013

STATE OF NEVADA

**GAMING CONTROL BOARD**

1919 College Parkway, P.O. Box 8003, Carson City, Nevada 89702  
555 E. Washington Avenue, Suite 2600, Las Vegas, Nevada 89101  
3650 S. Pointe Circle, Suite 203, P.O. Box 31109, Laughlin, Nevada 89028  
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Las Vegas  
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Mr. Ashford Kneitel  
Manager  
Accurate Chip Rack, LLC  
10620 Southern Highlands Parkway, Suite 110-138  
Las Vegas, Nevada 89141

Re: Case #2013-7201-LV  
"Baccarat World"

Dear Mr. Kneitel:

The Gaming Control Board's Enforcement Division has reviewed your information regarding the game, "Baccarat World." "Baccarat World" is played using eight standard 52 card decks.

Your modification of the standard game of Baccarat offers an optional side wager that pays if the Player's hand or the Banker's hand wins three consecutive rounds. If the Player's hand or the Banker's hand does not win three consecutive rounds, the "Baccarat World" side wager loses. Tie hands lose. Players may bet on either the Player's hand or the Banker's hand to win. Also, players may make a "Baccarat World" side wager on any round, including those rounds where an unresolved side wager already exists.

Note: It is the casino's discretion whether or not the player has to make the standard baccarat wager prior to any cards being dealt.

The Gaming Control Board's Technology Division reviewed the mathematical analysis certification from a Nevada Independent Test Laboratory. They determined that the mathematical percentages of the player payback and house advantage of the enclosed paytables are within the Board's required percentage hold.

Approval is granted to operate "Baccarat World." As "Baccarat World" is a modification of the statutorily approved game of Baccarat, a field trial will not be necessary.

Further questions regarding this matter should be directed to the Enforcement Division's Operations Unit, at 555 East Washington Avenue, Suite 2600, Las Vegas, Nevada 89101.

Sincerely,

  
Jerry Markling  
Chief of Enforcement

JM/JB

cc: Enforcement (Las Vegas/Laughlin/Carson City/Reno/Elko)  
Enclosure

"Baccarat World" – Paytables

<b>Outcome</b>	<b>Pays</b>	<b>House Edge</b>
Player Win	9 to 1	11.14%
	10 to 1	2.25%

<b>Outcome</b>	<b>Pays</b>	<b>House Edge</b>
Banker Win	9 to 1	3.55%