

NARRATIVE RESPONSES FOR INDUSTRY ESTABLISHMENTS

1c. Over the past five years, have you changed the type of gaming activities? If so what are the changes and why did you make them?

- 1 No
- 2 No
- 3 Yes, within categories
- 4 Yes, added different types of poker games and coin games
- 5 Yes, deleted poker 2 years ago
- 6 No
- 7 No response
- 8 No
- 9 No
- 10 No
- 11 No
- 12 No
- 13 No
- 14 No
- 15 No, we have a statutory limitation
- 16 No
- 17 Yes, removed poker because it was not profitable
- 18 No
- 19 No
- 20 Yes, decrease in table games, increase in slots, introduction of video
- 21 Opened in 1996, when the table game market was steady. This has not satisfied customers. They like the quick pace and payouts of slots. They like the solitude. When opened had 50 tables and 908 slot machines. Now have 57 tables and 1089 slots. Installed a sit down craps table to cater to older guests. Added lots of video poker.
- 22 Yes, operation just started 2 ½ years ago so all games are new in that sense
- 23 Yes, have added more slots because that is what customers want
- 24 No, have added variations but the types of games have stayed the same
- 25

2d. Thinking back over the last five years, have the requirements for background checks changed?

- 1 Stayed the same
- 2 Stayed the same
- 3 Become more extensive
Fair Credit Reporting Act
- 4 Become more extensive, two years ago began partnership with IRS
- 5 Not applicable
- 6 Stayed the same
- 7 Stayed the same

- 8 Stayed about the same
- 9 No response
- 10 Not applicable
- 11 Not applicable
- 12 No
- 13 Become more extensive
Renewals more frequent
- 14 Stayed the same
- 15 Become more extensive
Increased financial checks on tax records
- 16 Stayed the same
- 17 Become more extensive
Laws covering liability—we need to make sure we don't hire bad people who
would be a liability?
- 18 Stayed about the same
- 19 Stayed the same
- 20 Become more extensive
- 21 Stayed the same
- 22 Stayed the same
- 23 Stayed the same
- 24 Don't know
- 25 No response

3d. In the past five years, have fingerprinting requirements changed?

- 1 Not applicable
- 2 No
- 3 No
- 4 No
- 5 Not applicable
- 6 No
- 7 Instituted a continuous follow-up to fingerprinting
- 8 No
- 9 Not applicable
- 10 Not applicable
- 11 Not applicable
- 12 No
- 13 No
- 14 Yes, there have been some technological changes
- 15 No
- 16 Yes, new computerized methods
- 17 Don't know
- 18 No
- 19 Yes, changes with technology
- 20 Renewal of license then mandates annual re-fingerprinting

- 21 No
- 22 No
- 23 No
- 24 No
- 25 No

4g. Has anything about these checks changed over the last five years?

- 1 No
- 2 The review of casino audits is more extensive but casino reviews have not changed
- 3 No
- 4 More sophisticated technology
Surveillance used to be monthly, now it's quarterly
- 5 No
- 6 More thorough
- 7 No response
- 8 Only for video poker
- 9 Not applicable
- 10 Not applicable
- 11 Not applicable
- 12 No
- 13 More detailed, revised MICS, checklist more detailed, not just adding numbers but analyzing them, had to add another employee
- 14 No
- 15 Yes, they have become more extensive
Slot coin hoppers now have reasonableness tests
- 16 No
- 17 No
- 18 More sophisticated testing due to computer chips. Procedure for duplicating the chips kept on a log
- 19 No
- 20 No
- 21 No
- 22 No
- 23 No
- 24 Yes, rules have been added or clarifications made as state has learned more about gaming.
- 25 Yes have added or subtracted laws as needed due to changes in technology, etc.

5c. What kind of training is required?

- 1 Not applicable
- 2 Not applicable
- 3 TAM program for floor people
Gaming employees required to receive problem gambling training

- Currency training
- 4 Alcohol training, gambling awareness, customer service
- 5 Dealers – special in-house training
- Others are trained in-house, by department
- 6 Title 31 training
- Department specific training
- 7 Training at all levels, for all jobs
- Guest services
- Security
- 8 Not applicable
- 9 Not applicable
- 10 Not applicable
- 11 How to handle count sheets
- 12 Unclear response
- 13 Must train managers of pit, slot and cage departments on large cash transactions,
- Problem gaming
- Internal control
- 14 Not applicable
- 15 Poker has state rules and regulations
- 16 Not applicable
- 17 Department specific, for example, security
- 18 On the job training
- 19 Not applicable
- 20 Currency transaction reporting
- 21 State requires a license EMT to train employees
- 21 Requires that employees trained in mechanics of slots and audits
- 22 At hire, employees go through orientation that includes training regarding
- underage gambling, intoxicated guests, signature requirements, and the \$500 loss
- limit. After that, employees are trained in their department according to their
- position.
- 23 Responsible gaming training (to recognize problem and underage gaming)
- 24 Department specific training
- 25 Trained according to position

5d. Have the training requirements changed over the last five years?

- 1 They have improved
- 2 Not applicable
- 3 Yes, now required by regulation
- 4 Not applicable
- 5 No
- 6 No response
- 7 Not applicable
- 8 Not applicable
- 9 Not applicable
- 10 Not applicable

- 11 No response
- 12 No
- 13 Yes
 - Change in regulation
 - Procedures on casino floor
 - Problem Gambling
- 14 Not applicable
- 15 Yes, consistent with changes in types of games
- 16 Not applicable
- 17 Changes mandated by law
- 18 MICS
- 19 Not applicable
- 20 Yes, involving large currency
- 21 Yes, More training in customer service to become Customer Focussed Organization
- 22 No
- 23 Yes, there has been an increase in training requirements
- 24 Yes, training requirements have been clarified
- 25 Yes

5g. Please elaborate on your training policies?

- 1 Simulation training room
 - Varies by department
 - “Be knowledgeable on the job”
- 2 Tables get most of the training – six week school
 - Department specific training
- 3 Not applicable
- 4 Not applicable
- 5 No
- 6 Not applicable
- 7 Not applicable
- 8 Not applicable
- 9 Not applicable
- 10 Not applicable
- 11 Not applicable
- 12 Not applicable
- 13 Train some key employees
 - Internal control
 - How to translate generic regulation specifically for casino application
 - Large cash transactions
 - Problem gambling
- 14 Not applicable
- 15 Training for new games
- 16 Not applicable
- 17 Offer leadership training classes
- 18

- 19 Not applicable
- 20 Everybody gets semi-annual training by their supervisors in their department or as needed and done in house
- 21 Customer service training
- 22 Not applicable
- 23 Not applicable
- 24 Not applicable
- 25 Not applicable

7e. How have your reporting requirements changed over the last five years?

- 1 No response
- 2 No
- 3 Not applicable
- 4 Performing statistical reports constantly
- 5 No
- 6 Types of things required to report have changed
- 7 There has been elimination of some requirements
- 8 No
- 9 No
- 10 No response
- 11 No
- 12 No
- 13 No
- 14 No
- 15 Conversion from manual to electronic
- 16 No
- 17 Yes, we do an electronic report
- 18 No
- 19 No
- 20 Change in tax base that begins at 15%, then after 25 million, tax goes up in 5% increments and caps at a 35% rate. Reporting chips and tokens monthly
- 21 Have not changed
- 22 No
- 23 No
- 24 No
- 25 No

8c. What changes have you seen in record keeping requirements?

- 1 No response
- 2 No
- 3 No response
- 4 Yes, extensive reporting requirements

- Must perform “fill reasonable test” to ensure slot machines have the correct amount of coins in them. Use electronic meters (with 98% reliability) to perform this test
- 5 Used to be required for a long period of time, now have cut down on this requirement
 - 6 No
 - 7 Getting better
 - 8 No
 - 9 There is a lot more detail, more volume, mostly in financial requirements
 - 10 No response
 - 11 No
 - 12 Computer upgrades
 - 13 No
 - 14 Not applicable
 - 15 Federal changes, Department of Treasury, Title 31
 - 16 Not applicable
 - 17 None
 - 18 Not applicable
 - 19 Not applicable
 - 20 Volume of records, in part due to volume of business; more paperwork with slots
 - 21 Computerization
 - 22 Do not have to keep ticket stubs on file for as long
 - 23 None
 - 24 Changes in transaction recording requirements
 - 25 State regulations are ongoing and always evolving

11. Are there other important areas of regulation that we have not asked about?

- 1 No
- 2 No
- 3 Before can open establishment outside of jurisdiction, must be have approved by regulatory schemata
- 4 No response
- 5 Vendor licensing
Must report minority and women owned businesses
- 6 Financial
Training
Internal controls
State MICS
- 7 Everything in racing is regulated: horses, riders, participants, conduct of races, mutual department
- 8 Executive management has to review financial condition and go through a financial background check with respect to video poker
- 9 No
- 10 No response
- 11 No

12 No
 13 No
 14 No
 15 No
 16 No
 17 Yes, Three levels of licensing: support, key and associate
 18 No
 19 No
 20 No
 21 Difficulty in getting new products approved
 21 Have to rely on Nevada for this
 22 No
 23 No
 24 No
 25 No

12c. Over the last five years, have on-site inspections become more frequent, less frequent, or has their frequency stayed about the same?

1 About the same
 2 More frequent, as regulators have gained more knowledge
 3 About the same
 4 About the same
 5 About the same
 6 More frequent
 7 About the same
 8 Less frequent
 9 About the same
 10 Not applicable
 11 No response
 12 No response
 13 About the same
 14 About the same
 15 About the same
 16 About the same
 17 About the same
 18 About the same
 19 About the same
 20 About the same
 21 About the same
 22 About the same
 23 About the same
 24 More frequent, more specific inspections
 25 More frequent, state inspectors know better what they are doing now

13b. What social service activities are you required to perform?

- 1 Not applicable
- 2 Not applicable
- 3 Not applicable
- 4 Not applicable
- 5 Provide Gambler's Anonymous Telephone numbers
- 6 Not applicable
- 7 Mostly dealing with problem gambling
- 8 Not applicable
- 9 Had to start a program for responsible gaming, including literature
Tellers had to have training in this area
They have day care, but it is not required
- 10 Not applicable
- 11 Not applicable
- 12 Gamblers addiction information available
- 13 Gamblers addiction information available
- 14 Not applicable
- 15 Information on Gamblers Anonymous
- 16 Not applicable
- 17 Not applicable
- 18 Yes
- 19 Not applicable
- 20 Ones that promote economic development and demonstrate compliance with
such; capitol improvements, grants of seed money for fledgling businesses;
funding and posting of gamblers anonymous hotline
- 21 Give money to non-profit corporation that in turn helps to fund hospitals, fire
trucks, cameras in police vehicles, and nursing facilities
- 22 Not applicable
- 23 Not applicable
- 24 Responsible gaming information posted
- 25 Information on Gamblers Anonymous

13c,d. Have these requirements changed over the last five years? If yes, explain.

- 1 Yes, Just passed compulsive gambling training very recently
- 2 Not applicable
- 3 Not applicable
- 4 Not applicable
- 5 No
- 6 Not applicable
- 7 Yes
- 8 Not applicable
- 9 No
- 10 Not applicable
- 11 Not applicable , but a new policy will be in effect in two years
- 12 No

- 13 No
- 14 Not applicable
- 15 Not applicable
- 16 Not applicable
- 17 Not applicable
- 18 Yes
- 19 Not applicable
- 20 Yes
- 21 Yes, fee rises as capacity of establishment increases
- 22 Not applicable
- 23 Not applicable
- 24 No
- 25 No

13f. Please describe these activities.

- 1 Not applicable
- 2 Not applicable
- 3 Not applicable
- 4 Not applicable
- 5 Not applicable
- 6 Not applicable
- 7 Not applicable
- 8 Not applicable
- 9 Not applicable
- 10 Not applicable
- 11 Not applicable
- 12 Not applicable
- 13 Not applicable
- 14 Not applicable
- 15 Not applicable
- 16 Not applicable
- 17 Not applicable
- 18 Post Gamblers Anonymous material, educational material
- 19 Not applicable
- 20 2.5 million to charitable foundation; seniors citizen luncheon, holiday food subsidy, children's holiday toy drive
- 21 Project to keep minors away from gambling
- 21 Scholarship fund
- 21 Employee assistance for drug abuse, gambling, and spousal and child abuse problems
- 21 Partnership with local high school
- 21 Paint-a-thon for the elderly
- 22 Not applicable
- 23 Not applicable
- 24 Gaming treatment program
- 25 Help to fund gambling addiction services

13g. Please describe your activities.

- 1 Not applicable
- 2 Give money to gambling addiction services and organizations
- 3 Not applicable
- 4 Not applicable
- 5 Not applicable
- 6 If patron voluntarily bans themselves from facility, casino required to keep them out
800 line
Training on what to look for in problem gamblers
- 7 Not applicable
- 8 Not applicable
- 9 Not applicable
- 10 Not applicable
- 11 No response
- 12 Not applicable
- 13 Not applicable
- 14 Provide Gamblers Anonymous program which trains employees to recognize problem gambling
- 14 Also make responsible gambling information available to patrons
- 15 Not applicable
- 16 Comprehensive responsible gambling sessions that focus on training gaming employees to be able to assess and recognize those patrons who seem to have problems with their gambling
- 17 Contribute to responsible problem gambling organizations
- 18 Problem gaming issues
- 19 Distribute responsible gambling pamphlets and information
- 19 Also train gaming employees to spot gambling problems
- 20 Not applicable
- 21 Not applicable
- 22 Hotline for responsible gambling
- 22 State list for disassociative compulsive gamblers
- 23 State Casino Gaming Association funds an information line and disseminates information regarding responsible gaming
- 24 Not applicable
- 25 Not applicable

14a. In your opinion, are there regulations which are necessary to the gaming industry?

- 1 Auditing
- 2 Those that ensure fairness of games and proper accounting for revenue and expenses
- 3 Integrity of the game

- Machine testing
- Background checks
- Fingerprinting
- 4 Adequate internal controls – auditing
- Background checks
- 5 All of them are necessary to keep public confidence up in gaming industry
- 6 Audits, reporting
- 7 Streamlined and modernized
- 8 No
- 9 Yes
- 10 State should check out fly-by-night bingo outlets
- 11 No
- 12 No
- 13 Absolutely. MICS,
Body of regulations
- 14 Those regulations that help to maintain the integrity of gaming
- 15 State inspection of eproms on slots
- 16 Ensuring the fairness and integrity of gaming at establishment
- 17 Maintaining integrity
- 18 Yes, audit, internal controls and machine testing
- 19 Those regulations which keep gaming clean and fair
- 20 Regulations which will insure public confidence; continual review of gaming
receipts; sealing tape on machines
- 21 Background checks
- 21 Equipment checks
- 21 Credibility of table games
- 22 Yes, state internal controls, needed to keep things on the “up and up”
- 23 Yes, regulating internal controls
- 24 Yes, surveillance
- 25 Yes, need to set rules for games to protect public and regulations on cash handling

14b. Thinking about these regulations you judge to be necessary for the industry, can you estimate the costs your establishment incurs in complying?

- 1 Respondent not privy to financial information
- 2 No
- 3 \$1 million plus to surveillance
\$10 million in compliance
- 4 Staff costs \$120,000 for auditing
Surveillance - \$500,000 to \$1 million
Labor, equipment test - \$200,000
- 5 Over \$100,000 a year on regulatory compliance
- 6 Don't know
- 7 About \$3-4 million of which a large part is testing programs
- 8 Not applicable
- 9 Not significant

- 10 Not applicable
- 11 Not applicable
- 12 Not applicable
- 13 \$500,000-1,000,000
- 14 Must cover state's regulatory costs, which can be millions of dollars
- 15 Cost is negligible—5 or 6 staff positions
- 16 Substantial amount, in the millions
- 17 Internal audit costs, surveillance, outside investigator—\$150,000
- 18 Don't know—entire internal audit department
- 19 Large amount of money
- 20 \$350,000
- 21 65% of criminal justice investigation costs
- 21 Millions per year
- 21 Cost of doing business
- 22 Substantial
- 23 Regulating internal controls: Extra people space and equipment
- 24 Surveillance: Millions of dollars and a department of 30+ people
- 25 Don't know

15a. In your opinion, are there regulations of the gaming industry which are unnecessary?

- 1 No, all regulations are equally important
- 2 Strict permitting – the process of deciding for whom to provide non-gaming services
- 3 No
- 4 IRS
- Extent of surveillance equipment
- Gaming licenses for employees (\$200 for two years)
- 5 No
- 6 State equivalent to Title 31
- Not only requires casino to keep track of transactions over \$10,000 in cash, but also requires establishment to keep track of transactions over \$10,000 in chips
- 7 No response
- 8 No
- 9 No
- 10 Pull-tab regulations
- 11 No
- 12 No
- 13 Yes, but it is better to have regulations in place
- 14 No
- 15 Yes Hopper reasonableness test
- 16 No
- 17 No
- 18 Title 31
- 19 No

- 20 Annual licensing requirement should be extended; annual fingerprints are not necessary and could be replaced by background checks
- 21 No
- 22 Yes, Boarding times: There is a 45-minute window to board. If customer misses this window, they must wait another 1 ½ hours to enter the riverboat. This can result in lost customers
- 22 \$500 loss limit: This is difficult to control and enforce because patron can get around it
- 22 Cash reporting requirements extend to chips or tokens. Operations have to keep track of this whether it is cash or tokens
- 23 Yes, marketing regulations, have to get state gaming dept. approval before can run any sort of promotion
- 24 Yes, "Especially in (my state)"
- 24 There are regulations on tips which are unnecessary
- 25 Regulations regarding the locations of security staff
- 25 Overlapping of state and federal regulations, causes confusion

15b. Now thinking about these regulations you consider unnecessary, can you estimate the costs your establishment incurs in complying?

- 1 Not applicable
- 2 Permitting - \$50,000/year
- 3 Not applicable
- 4 Surveillance monitor has \$200,000/year salary
Costs \$50,000 to 80,000 upgrading equipment
- 5 Not applicable
- 6 Don't know
- 7 Not applicable
- 8 Not applicable
- 9 Not applicable
- 10 No response
- 11 Not applicable
- 12 Not applicable
- 13 Not applicable
- 14 Not applicable
- 15 Low monetary cost, but high labor cost half a position
- 16 Not applicable
- 17 Not applicable
- 18 Can't calculate
- 19 Not applicable
- 20 \$50-60K
- 21 Not applicable
- 22 Boarding times: loss of customers
- 22 Cointracking: tens of thousands of dollars and supervisory time
- 22 \$500 loss limit: lots of extra employees, accounting has to verify numbers and have had to put in whole new computer system that took almost a year

- 23 Don't know
- 24 Don't know
- 25 Costs personnel and fines if don't comply

16. Are there any regulations of the gaming industry that you would like to see added?

- 1 No
- 2 No
- 3 No
- 4 No
- 5 No
- 6 No
- 7 No
- 8 No response
- 9 No
- 10 No response
- 11 No response
- 12 No response
- 13 No
- 14 No
- 15 7
- 16 No
- 17 Ban concealed weapons from facilities, get people with corrupt backgrounds out of gambling
- 18 No
- 19 No
- 20 Yes. Regulate Player and Slot Clubs where you can redeem points for merchandise, food or actual cash
- 21 No
- 22 No
- 23 No
- 24 No
- 25 No, Industry does a good job of regulating itself

17. Are there any areas of the gaming industry where you think regulatory enforcement is excessive?

- 1 No
- 2 No
- 3 No
- 4 IRS
Statistical Reports for State Department of Gaming
- 5 No
- 6 No
- 7 No
- 8 No

- 9 No response
- 10 No
- 11 No response
- 12 No response
- 13 No, while we don't necessarily like the regulation and enforcement, we have a very ethical GCB and understand what it expected of us
- 14 Yes, those regulations that interfere with establishments and operations and have nothing to do with what should be regulated such as money
- 15 Yes, slot meter comparisons require lots of time. There are multiple reports to do and there produce repetitive information
- 16 Those regulations that are judgements of operations, for example, how many security personnel to have on the floor and where to place them. These are decisions pertaining to the business and should not be regulated
- 17 Sometimes regulators aren't properly trained, so sometimes they don't appropriately cover the law, or understand it correctly
- 18 No
- 19 Yes, when state intrudes on what is business of operation. Some regulations just go overboard
- 20 Yes; if you exceed the MICS requirement, because your own standards require it, you should not be fined for missing your own standard if it still exceeds MICS
- 21 Yes, state regulations say the operation may not allow those who are inebriated to gamble. How is operation supposed to measure sobriety?
- 22 Yes, does there always have to be an agent on board? Or do they always have to have more than one?
- 23 No
- 24 Yes, State regulators are attempting to take control over slot turn-off, which will cost the operation tens of millions of dollars to get the computer capability to comply with this.
- 25 Yes, state goes overboard with surveillance requirements

18. Are there any areas of regulation where you think enforcement is too lax?

- 1 Don't know
- 2 No
- 3 No
- 4 No
- 5 No
- 6 No
- 7 No
- 8 No
- 9 No
- 10 Yes
- 11 No response
- 12 No response
- 13 No
- 14 No

- 15 No
- 16 No
- 17 No
- 18 No
- 19 No
- 20 Yes, Dockside agents need access to books
- 21 Yes, the manner in which cheating cases are dealt with. Not consistent among agents. Reactive instead of proactive
- 22 No
- 23 No
- 24 Lax in enforcement of customer cheating
- 25 Need to be more consistent in cheating surveillance

19. Have you noticed any changes in the laws or regulatory practices affecting the gaming industry?

- 1 No
- 2 No
- 3 Currency transactions
IRS information
- 4 Statistical Report now required
- 5 Will become less onerous, but casino must be left alone
Because of public perception of casino as crooked, need regulations to keep up public confidence
- 6 As start to understand more, getting rid of some controls that are unnecessary
- 7 No
- 8 No
- 9 Always refining and adding, but in small increments
- 10 No response
- 11 No response
- 12 No response
- 13 There is a shift to interpreting "intent" which is more positive to a working relationship. If we achieve (or exceed) what the law asks, we aren't penalized if it doesn't meet the precise letter of the law.
- 14 No
- 15 Yes, we have been able to reduce the number of compliance report filings to semi-annual because both the casinos and the regulators have become better at monitoring compliance and more skilled
- 16 No
- 17 Yes, changes in law. There used to be no age requirement, now you can't be in the casino, even if you are not gambling, unless you are 21. Electronic reporting
- 18 Changes as gaming expanded, Title 31
- 19 No
- 20 Yes, MICS
- 21 Yes, machine checks are more sophisticated

- 22 Yes, regulators have loosened up and have tried to see things from an operator's point of view
- 23 Yes, regulations are more sensitive to responsible gaming
- 24 Jurisdictions outside of Vegas and Atlantic city have gotten smarter and gained more knowledge.
- 25 Different localities are coming together to share ideas and knowledge

20. Finally, over the past five years, what changes have you seen in the gaming industry's practices?

- 1 No
- 2 Industry has become, out of necessity, more efficient
Better ways to maintain adequate control and yet still run an efficient and cost effective operation
- 3 Gaming is more highly regulated than other industries
- 3 No
- 4 No response
- 5 Going for a bigger customer base
- 6 Have become much more knowledgeable
- 7 No response
- 8 Simul-casting and video poker are the two biggest revenue enhancements over the last two years
This track will have to remove 90 video poker machines by July 1 unless court appeal is successful
- 9 Simul-casting of racing (importing) electronically
This has been the biggest revenue enhancement
- 10 No response
- 11 Unclear response
- 12 It actually costs more to comply with new rules than the actual payout
Rules have become more precise to reflect range or variance in casino outlets
- 13 No response
- 14 No
- 15 Shift to currency instead of coins
Development of new equipment
- 16 No
- 17 Slots changing, can play higher denominations
- 18 No
- 19 No
- 20 Changed ratios in layout from table to slots; marketing to slot players; concern with customer service, cognizant of competition
- 21 Yes, there is not enough experience, there is too much competition for skilled, trained employees
- 22 More and more slot machines rather than table games, even though to respondent they seem very boring at least compared to table games. But tables just don't interest people anymore, so they have expanded number slots
- 23 Yes, marketing has changed

- 24 Industry is more conscious of gambling addictions and see more effort to help those who are in need of it
- 25 Social costs of gambling has received more attention