

## §1817. Enforcement and Regulation

A. Applicant Suitability and Business Relationships. The department may deny an application or revoke, suspend, restrict, or limit a permit or approval of a machine when it finds that the applicant or a business relationship between an applicant and another person or business entity is unsuitable or endangers the health, safety, or welfare of the citizens of this state. In determining the suitability of an applicant or other persons or business entities in a business relationship, the department may consider the person or business entity's:

1. general character, including honesty and integrity;
2. financial security and stability, competency, and business experience in the capacity of the relationship;
3. records, if any, of violations which may affect the legal and proper operation of a machine including a violation affecting another permittee or applicant and any violation of the laws of this state, other states, and countries without limitations as to the nature of the violation;
4. refusal to provide access to records, information, equipment, or premises to the department or peace officers when such access is reasonably necessary to ensure or protect public health, safety or welfare.

### B. Approval of Machines

1. The department may conditionally approve and maintain a list of specific models of machines based on its finding that the machines conform to the act and these rules.

a. Final approval of each machine is required even if a machine has been conditionally approved.

b. Conditional or final approval may be withdrawn by the department subsequent to finding that a machine does not conform to specifications, and testing standards established by the department, including new or revised requirements of the act and these rules.

2. The department may allow shipment of a machine for the purpose of providing conditional approval of that particular make or model provided the following conditions are met:

a. the department will not be responsible for any purchase, shipping, or handling charges;

b. all the information required by these rules must accompany the machine; and

c. prior to shipment, the department has approved such shipment of a machine for scheduled testing and approval.

3. New rules may be adopted which redefine or set forth new specifications that previously approved machines do not comply with. In such cases, and only in such cases, the department will allow a specified time for a permittee to bring a machine into compliance with new or modified specifications.

### C. Machine Repair

1. When the department approves the software and logic board of a machine, it will use the prescribed security seal process to guard against any unauthorized tampering or changes to the method by which the game of bingo is played on the machine.

2. Any repair made to a machine's logic board which requires the breaking of a departmental seal must be reported to the department before the seal is removed or broken as described in these rules. At that time, readings of the machine's electronic meters and mechanical meters must be approved by the department and initial electronic and mechanical meter readings provided to the department before the machine is again placed in operation on the permittee's premises.

3. Any repair or replacement made to a machine's meters must be reported to the department before a seal is removed or broken as described in these rules. At that time, readings of the machine's electronic and mechanical meters must be approved by the department and the initial readings of the electronic and mechanical meters must be provided to the department before the machine is again placed in operation on the permittee's premises.

4. The department must subsequently be given access to the machine to reseal the meters and verify their proper operation before the machine can be placed in operation.

5. To assure the integrity, security, and monitoring of machines in service, a permitted machine or any portion thereof may not be substituted or replaced until the replacement machine has been permitted by the department.

### D. Inspection and Seizure of Machines

1. The department or its duly authorized representative has the right at all times to make an examination of any machine being used to play electronic video bingo. Such right of inspection includes immediate access to all machines and unlimited inspection of all machine parts. The department or its authorized representative may immediately seize and remove any machine or device which violates the act, these rules or the statutes of Louisiana. Such emergency seizure is subject to a hearing as described in these rules.

2. Given reasonable cause, the department may remove a machine or parts from a machine for laboratory testing and analysis. When parts are removed, the department may seal any machine left on the permittee's premises pending the department's

investigation. The breaking or removal of the department's seal without approval, may subject the permittee to seizure of the entire machine and suspension or revocation of the permit.

E. Investigation of Permittee. The department may, upon its own motion, and shall upon receipt of a written verified complaint of any person, investigate the actions of any permittee and the operations of any machine. The investigation shall be undertaken for the purpose of gathering evidence and determining whether a violation of the act, rules or other statutes of the state of Louisiana has occurred.

#### F. Civil Violations

1. When the department determines a permittee has violated the act or these rules, the department may issue a civil violation to the permittee in an amount not less than \$250 nor more than \$1,000. Violations may be issued for each act not in accord with these regulations. Each day of operation in violation constitutes a separate violation.

2. A violation may be issued for, but is not limited to the following acts:

- a. the operation of an unpermitted machine;
- b. the use of more than 35 electronic video bingo machines on a premises;
- c. the unauthorized breaking of Seal A or Seal B in a machine;
- d. the failure to report and pay timely the fees assessed;
- e. the failure to prohibit minors from playing the machine;
- f. the falsification of application or reporting documents;
- g. the refusal to allow inspection of the machine;
- h. the unauthorized destruction of printed ticket vouchers and accounting ticket copies.

#### G. Suspension and Revocation

1. The department may suspend any and all permits held by an alleged violator after opportunity for hearing when:

- a. The department receives:
  - i. a certified copy (or other credible evidence) of a judgment or conviction of any permittee or his agent, servant, or employee for any violation of any criminal law or ordinance of the United States, the state of Louisiana or any Louisiana parish and/or town relating to charitable gaming; or
  - ii. a certified copy of the record (or other credible evidence) of the forfeiture by any permittee or his agent or employee of bond to appear to answer charges of violating any law or ordinance relating to charitable gaming; or

iii. the department, after investigation, has reasonable cause to believe that any permittee, his agent or employee has violated the provisions of the act or these rules and has been issued a violation or citation.

2. The department may suspend a permit or permits prior to the opportunity for hearing when the department, after investigation, has reasonable cause to believe continued operation of the permitted machine endangers public health, safety, and welfare. During the period of suspension, the permittee shall not operate such machine.

*AUTHORITY NOTE: Promulgated in accordance with R.S. 33:4861.17.*

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