

Optional Insurance Wager In Pai Gow Poker

Gaming Equipment

Rules of the Games

Temporary Amendments: N.J.A.C. 19:46-1.13B; 19:47-11.1, 11.3, 11.15
and 11.16

Authority: N.J.S.A. 5:12-5, 69a, 69e, 70f and 100

The temporary rules follow:

Summary

The temporary amendments introduce an optional insurance wager in the authorized game of pai gow poker. Pai gow poker is a one-deck card game that uses a standard 52-card deck plus one joker. The insurance wager is part of a group of wagering options for pai gow poker commercially known as “Emperor’s Challenge.”

The pai gow insurance wager is a wager that the player’s seven cards will form a poker hand with a rank of ace or lower or no pair (a “pai gow”). The outcome of the wager is entirely independent of the outcome of a player’s pai gow wager or the way a player sets his or her high hand and low hand in the base game. For purposes of determining the insurance wager, an ace not used to complete a straight, flush, straight flush or royal flush is always considered the highest ranking individual card and a joker is considered to be an ace. Payout odds for this wager are set forth in five separate pay tables, one of which is to be pre-selected by the casino licensee, with payout odds ranging from 400 to 1 for a hand of “nine high” to 1 to 1 for a hand of “ace high.” The insurance wager is offered on a pai gow poker table layout with an additional betting area designated for the proposition wager.

The temporary amendment to N.J.A.C. 19:46-1.13B contains the requirements for the layout and sign used when the insurance wager is offered. The temporary amendment at N.J.A.C. 19:47-11.1 references the insurance wager within the pai gow poker Definitions section. A temporary amendment to N.J.A.C. 19:47-11.3 provides an alternative definition of “royal flush plus

royal match” as applied to the authorized optional bonus wager offered under N.J.A.C. 19:47-11.15. New subsection N.J.A.C. 19:47-11.3(h) sets forth the special rules with regard to the ranking of an ace and a joker for purposes of the insurance wager. The temporary amendments to N.J.A.C. 19:47-11.15 integrate the rules for implementing the pai gow insurance wager with those for the optional bonus wager in that section.

The temporary amendments at N.J.A.C. 19:47-11.16 set forth five pay tables, one of which is to be pre-selected by the casino licensee, for the pai gow insurance wager and subject the pai gow insurance wager to the maximum payout limitation applicable to the optional bonus wager authorized at N.J.A.C. 19:47-11.15.

Full text of the temporary adoption follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

19:46-1.13B Pai gow poker table; pai gow poker shaker; physical characteristics; computerized random number generator

(a) (No change.)

(b) The layout for a pai gow poker table shall be approved by the Commission and shall contain, at a minimum, the following:

1. (No change.)

3. If a casino licensee offers the optional bonus wager **and/or insurance wager** authorized by N.J.A.C. 19:47-11.15:

i. (No change.)

ii. A separate area for each player, located to the left of the numbered betting areas, designated for the placement of an insurance wager by each player;

[ii.] **iii.** Notice of signage, as approved by the Commission, for payout odds for the bonus wager **and insurance wager** and payout amounts for the “envy bonus” as defined at N.J.A.C. 19:47-11.15; and

[iii.] **iv.** The inscription indicating the payout limit per round of play for the bonus wager **and the insurance wager** established by the casino licensee pursuant to N.J.A.C. [19:47-11.16(c)] **19:47-11.16 (d)** or a generic inscription indicating the [wager is] **wagers are** subject to the posted payout limit.

4. - 7. (No change.)

(c) If a casino licensee offers [an] **the optional bonus wager and/or the insurance wager** authorized by N.J.A.C. 19:47-11.15 or [11.17] **the optional bonus wager authorized by N.J.A.C. 19:47-11.17**, a sign shall be posted at each pai gow poker table offering [the optional bonus wager authorized by N.J.A.C. 19:47-11.15] **any of these wagers** that explains, in a manner approved by the Commission, the following:

1. For the optional bonus wager **and the insurance wager** authorized by N.J.A.C. 19:47-11.15, the details of the payout limit established pursuant to N.J.A.C. [19:47-11.16(c)] **19:47-11.16(d)** and, if a generic inscription is used pursuant to [(b)3iii] **(b)3iv** above, established payout limit;
or

2. (No change.)

(d) – (g) (No change.)

19:47-11.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meaning unless the context clearly indicates otherwise:

...

“Pai gow insurance wager” shall mean an optional wager as authorized by N.J.A.C. 19:47-11.15, that the player’s seven cards will form a seven card hand with a rank of ace or lower (a “pai gow”), for which a payout will be awarded pursuant to N.J.A.C. 19:47-11.16(c), regardless of the manner in which the player sets the high hand and the low hand and regardless of the outcome of the player’s pai gow poker wager.

. . . .
19:47-11.3 Pai gow poker rankings; cards; poker hands

(a) – (e) (No change.)

(f) If a casino licensee offers the optional bonus wager authorized by N.J.A.C. 19:47-11.15, the following seven card hands, each of which shall have a rank higher than a five-card poker hand of five aces, shall be used to determine the amount of the bonus wager payout or envy bonus payment to which a winning patron is entitled pursuant to N.J.A.C. 19:47-11.16:

1. (No change.)

2. “Royal flush plus royal match” is a seven card hand consisting of an ace, a king, a queen, a jack and a ten of the same suit, with or without a joker, with **[an] one of the following pre-selected by the casino licensee:**

i. An additional king and queen of a same suit; or

ii. An additional ace and king of the same suit, without a joker (natural); and

3. (No change.)

(g) For purposes of pay table “B” for the seven-card bonus wager at N.J.A.C. 19:47-11.18(c), a “straight flush with joker” is a hand consisting of five cards of the same suit in consecutive ranking, one of which is the joker, and a “straight flush without joker” is a hand consisting of five cards of the same suit in consecutive ranking, none of which is the joker.

(h) If a casino licensee offers the insurance wager authorized by N.J.A.C. 19:47-11.15, a joker is ranked as an ace for purposes of determining this wager.

19:47-11.15 [Optional] **Pai gow insurance wager; optional** bonus wager;
payment of envy bonus

(a) A casino licensee may, in its discretion, offer to each player at a pai gow poker table the opportunity to make a **pai gow insurance wager and/or a**

bonus wager and receive an envy bonus payment in accordance with the provisions of this section. The optional bonus wager authorized by this section may not be offered by a casino licensee on any pai gow poker table which offers the optional three-card bonus wager and the seven-card bonus wager authorized by N.J.A.C. 19:47-11.17.

(b) Any player who has made a pai gow poker wager pursuant to N.J.A.C. 19:47-11.7 may, at the same time, make a **pai gow insurance wager and/or a** bonus wager by placing gaming chips in the area designated for a bonus wager at his or her betting position. A bonus wager shall be no less than \$1.00.

(c) (No change.)

(d) If a **pai gow insurance wager and/or a** bonus wager has been made by one or more players, the dealer shall observe the procedures set forth in N.J.A.C. 19:47-11.9 but with the following modifications.

1. The dealer shall, starting from the dealer's right and moving counterclockwise around the table, settle the pai gow poker wager of each player and collect any vigorish that is due; provided, however, that:

i. (No change.)

ii. If any player has placed a **pai gow insurance wager or a** bonus wager of at least \$5.00, the cards of each player shall remain on the layout regardless of the outcome of his or her pai gow poker wager until removed in accordance with the provisions of (d)2 or 3 below.

2. After settling the pai gow poker wager of a player who has placed a **pai gow insurance wager or a** bonus wager, the dealer shall rearrange the seven cards of the player to form the best possible hand and shall be ultimately responsible for creating such hand for purposes of the **pai gow insurance wager and the** bonus wager. [A] **Except for the pai gow insurance wager, a** joker may be used as any card to complete any straight, flush, straight flush or royal flush other than a seven-card straight flush with no joker. If any player at the table has placed a bonus wager of at least \$5.00,

the dealer shall rearrange the cards of each player at the table regardless whether that player has placed a bonus wager.

i. If the player does not have a qualifying poker hand **or a pai gow**, the dealer shall collect the bonus wager **and/or pai gow insurance wager**, if applicable, and place the cards of the player in the discard rack.

ii. If the player has a qualifying poker hand **or a pai gow**, the dealer shall, if **and as** applicable, pay the winning bonus wager in accordance with N.J.A.C. 19:47-11.16(a) **and/or the winning pai gow insurance wager in accordance with N.J.A.C. 19:47-11.16(c)** and place the cards of the player in the discard rack.

iii. (No change.)

3. After all other bonus wagers **and pai gow insurance wagers** have been settled, the dealer shall, starting from the dealer's right and moving counterclockwise around the table, settle with each player who has an envy bonus marker at his or her betting position or who has a bonus wager and a premium qualifying poker hand.

i. - iii. (No change.)

19:47-11.16 Payout odds for bonus wagers; envy bonus payments; **pai gow insurance wagers**

(a) – (b) (No change.)

(c) Pai gow insurance wagers shall be paid pursuant to the payout odds set forth in one of the following pay tables pre-selected by the casino licensee;

<u>Hand</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
Nine high	400 to 1	250 to 1	100 to 1	100 to 1
Ten high	40 to 1	75 to 1	50 to 1	25 to 1
Jack high	20 to 1	25 to 1	25 to 1	15 to 1
Queen high	5 to 1	5 to 1	10 to 1	6 to 1
King high	3 to 1	3 to 1	5 to 1	5 to 1
Ace high	2 to 1	2 to 1	1 to 1	3 to 1

Hand

E

Nine high	100 to 1
Ten high	25 to 1
Jack high	15 to 1
Queen high	7 to 1
King high	5 to 1
Ace high	3 to 1

[(c)] **(d)** Notwithstanding the minimum payout odds required in (a) **and (c)** above and the fixed bonus amount required in (b) above, a casino licensee may establish a maximum payout amount as approved by the Commission that is payable to a player for one round of play, which amount shall be at least \$40,000 or the maximum amount that one player could win per round when betting the minimum permissible [wager] **wagers**, whichever is greater. If the established payout limit is not included on the layout, each casino licensee shall provide notice of any decrease in the payout limit in accordance with N.J.A.C. 19:47-8.3. Any maximum payout limit established by a casino licensee shall apply only to payouts of pai gow poker bonus wagers **and pai gow insurance wagers** placed pursuant to N.J.A.C. 19:47-11.15.