

## ADVISORY

### **Rake in Cash Poker Games**

No flop/no drop or similar policies, which results in a rake not being collected in a cash poker game, do not comply with the Administrative Rules for Games of Chance, Lot 7200.

The Games of Chance rules define a “rake” as, "a set percentage of each hand taken by the game operator as compensation, a proportion of which is shared with the licensed, hosting charitable organization". The rule further defines a “hand” as, "one game in a series, one deal in a card game, or the cards held by a player." For the purposes of a rake during a cash poker game, a "hand" is deemed dealt once the first three community cards, known as the flop, have been revealed. In other words, a rake is not required until after the flop (aka no flop/no drop).

In addition, the rules contain the following restrictions relative to rakes:

- *For games with rake, the rake shall be no less than one dollar and at least one dollar more than the amount contributed per hand toward a player-funded promotion.*
- *For games with rake, the amount contributed per hand toward a player-funded promotion shall be at least one dollar less than the rake.*
- *The charitable organization, or the operator employer hired to act on behalf of the organization, shall establish and maintain an accounting system for all activities conducted in conjunction with games of chance that includes a minimum of the following: Procedures to ensure that, for all cash poker games, the amount collected for the rake per hand are at least one dollar more than the amount contributed per hand toward a player-funded promotion.*

In other words, in a game of cash poker, once the community cards have been revealed (the flop), a rake of at least \$1 must be collected (regardless of the size of the pot). And when a promotional rake is also collected, the (non-promotional) rake must be at least \$1 greater than any promotional rake.

For more information regarding these requirements, please contact the Investigative Unit of the New Hampshire Lottery Commission, Investigation and Compliance Division at (603) 271-7613.